

WHERE PROPERTY MATTERS ASK EVES

NEWS SUMMARY

GENERAL

Defence spending to keep rising

The Government intends to keep defence spending rising by 3 per cent a year in real terms well into the 1980s...

Russians asked about FT man

Britain's charge d'affaires in Moscow, Brian Fall, called at the Soviet Foreign Ministry...

Homes plan

In a move that could have far-reaching implications for the private housing sector...

Pope's visit

The Pope never contemplated crossing into Ulster during his visit to Ireland...

Crisis talks

Italy's third Prime Minister, designate in 26 days, Filippo Maria Pandolfi...

Desai bows out

India's ousted Prime Minister, Morarji Desai, resigned as Janata Party leader...

Airport blamed

Swedish Airport authorities were held liable by a High Court judge for a jet crash...

Bomb victim

A car bomb killed former police sergeant and Salvation Army gospel singer James Wright...

Briefly

Stage and television entertainer Bruce Forsyth and his wife Anthea Redfern are to separate...

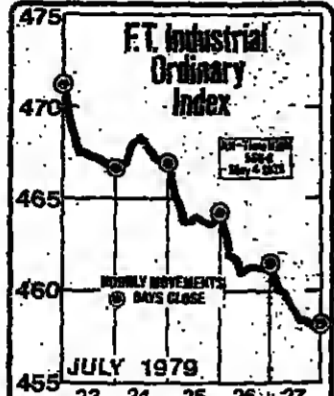
CHIEF PRICE CHANGES YESTERDAY

Table with columns for RISES and FALLS, listing various commodities and their price changes.

BUSINESS

Equities fall 3.3; Sterling off 1 1/2c

EQUITIES ended the Account on a dull note and the FT 30-share index fell 2.3 to 458.2...



GILTS also saw little trade and longes were up to a 3/16er but edged up after hours...

STERLING eased on profit-taking, closing at \$2.3145, down 1 1/2 cents...

GOLD lost \$1 in London to \$364, up \$7 1/2 in New York...

WALL STREET closed unchanged at 839.76

U.S. FEDERAL Trade Commission has sought a late court injunction to halt Exxon Corporation's \$1.17bn takeover of Reliance Electric...

INTEREST RATES on National Savings Bank investment account deposits are being raised by 1 per cent to a record 12 1/2 per cent in September...

PORT OF LONDON will continue to receive Government aid over the year to finance redundancies and cash shortages...

BRITISH PETROLEUM has made a deal in principle with Western Mining Corporation of Australia...

WEST GERMAN Cartel Office has condemned oil companies for unjustifiably raising petrol prices by about 5 per cent last week...

MOBIL is suing for \$100m damages from the owners and operators of the two oil tankers that collided in the Caribbean last week...

HOUSE BUILDING costs rose by 8.7 per cent on average in the second quarter this year...

BOILERMAKERS' union in British Shipbuilders is to seek a 37 per cent pay rise...

WORKERS in the heating and insulating industry will have their working week cut from 40 to 38 hours...

MIDLAND BANKS pre-tax profits for the first half of 1979 rose 56 per cent to £138.5m...

BTR, the general rubber manufacturer, reports a 50 per cent rise in taxable profits to £27.4m...

NISSAN MOTOR, of Japan, reports a 30 per cent drop in consolidated net profits to ¥68.84bn...

HONDA MOTOR'S consolidated net profits for the quarter to May 31 fell to ¥2.15bn...

Moves to develop small North Sea oilfields faster

BY RAY DAFTER, ENERGY EDITOR

International oil companies are discussing with the Government ways of speeding development of some 50 small North Sea fields...

The UK Offshore Operators' Association and Energy Department officials are trying to formulate incentives to encourage companies to exploit the reserves...

Lord Kearton, chairman and chief executive of BNOG, felt that the Government had called the oil companies' bluff...

'Air cleared'

The Offshore Operators' Association, representing oil companies in the North Sea...

Mr. George Williams, director-general, said he was sure that the statement would encourage companies to step up activities on the UK Continental Shelf...

A third of that was to be returned to the Bank on August 3 and will now be handed back five weeks later...

Bank postpones recall of £240m special deposits

BY DAVID FREUD

THE AUTHORITIES took steps yesterday to prevent short-term interest rates from moving higher...

The £240m recall of special deposits from the banking system, due next week, was postponed until September 10...

The move, widely expected, comes after pressure in the money markets had driven inter-bank rates above Minimum Lending Rate...

The Bank of England said that the postponement implied no relaxation of the policy of continuing monetary restraint...

The authorities temporarily released about £700m of special deposits, or 11 per cent of eligible liabilities, three weeks ago...

U.S. prime rates rise to 11 3/4%

BY JOHN WYLES IN NEW YORK

THE COST of bank loans in the U.S. increased yesterday when a large number of commercial banks boosted their prime rates to 11 3/4 per cent...

The 1/2 per cent increase brought little reaction from the bond markets where prices slipped slightly in quiet trading...

The rise in the rate the banks charge their best customers is largely a reflection of recent moves by the Federal Reserve Board...

Lord Kearton, chairman and chief executive of BNOG, felt that the Government had called the oil companies' bluff...

Lord Kearton, who was speaking after the corporation's monthly Board meeting...

'If anything, we have been the ones keeping things moving in the North Sea,' he said...

Studies in the shortly-to-be-released BNOG report that nearly 40 per cent of the licensed 370 blocks allocated in the first four rounds of concessions have had no wells drilled on them at all...

The private oil companies could no longer use BNOG as an excuse for failing to undertake oil exploration...

It was a scandal that oil companies should be sitting on blocks without exploring them for several years...

Under the package of measures announced by Mr. David Howell, the Energy Secretary...

The prime rate has been oscillating between 11 1/4 and 11 3/4 per cent since November...

The dollar was slightly stronger in a thin market, rising 0.1 to 84.0 on the Bank of England's trade-weighted index...

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Kaunda warns over Rhodesia

BY MICHAEL HOLMAN

PRESIDENT Kenneth Kaunda of Zambia yesterday warned Mrs. Margaret Thatcher that British recognition of the Zimbabwe-Rhodesian Government would lead to increased fighting and to a racial state where black and white will never be able to live together again...

Dr. Kaunda's remarks on a Canadian Broadcasting Corporation programme coincided with the arrival of the Queen and the Duke of Edinburgh in Lusaka yesterday for a nine-day official visit...

Dr. Kaunda said: 'The very interests they (the British Government) are trying to protect now, by using puppets like Abel Muzorewa, would be blown to pieces by the fury of the liberation war.'

'Regardless of what Margaret Thatcher does in terms of recognising the Muzorewa Government, the war will continue. I might warn that if she recognised that Government she must be ready to send in British troops to fight side by side with Abel Muzorewa.'

'If she did that, then of course the rest of the continent of Africa will be up in arms against her and her Government.'

Dr. Kaunda's tough words give an indication of the stand Zambia is likely to take at next week's conference.

The President, members of his cabinet and central committee of the ruling United National Independence Party were at Lusaka International Airport to greet the Royal party...

Drummers and dance troupes performed there. The route from the airport through the city centre to State Lodge, where the Queen will be staying as a guest of the President, was lined by tens of thousands of cheering Zambians.

The Royal itinerary includes visits to copper belt mining towns, and game reserves. The Queen will also meet heads of Government attending next week's conference.

At a Press conference yesterday, Mr. Joshua Nkomo, leader of the Zimbabwe African Peoples Union read the text of his letter to Dr. Kaunda declining invitations to functions involving the Queen.

He said he intended no disrespect, but in some quarters the prospect of the guerrilla leader meeting of the Queen had become a political football, and he was anxious to avoid this.

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Times talks reach formula for return

BY ALAN PIKE, LABOUR CORRESPONDENT

A FORMULA for re-publication of the Times newspapers, which have not appeared for almost eight months, was drawn up by the management and national union leaders yesterday.

The proposals will now be put by leaders of the seven unions involved to their executives and members at Times Newspapers.

This further improvement in the prospects for re-publication of the Times, the Sunday Times and the three Times supplements followed two meetings between the union leaders and Mr. Gordon Brunton, chief executive of Thomson British Holdings.

Revised

A statement issued after the second meeting yesterday said that a formula had been produced which 'could lead to the reinstatement of staff and to the re-publication of all titles.'

The unions had demanded a meeting with Mr. Brunton after the collapse of talks with representatives of Times Newspapers management. At these talks union leaders had unanimously rejected revised re-publication terms and accused Times Newspapers of going back on earlier proposals.

However, the position improved late on Thursday night after a meeting between Mr. Brunton, Times Newspapers representatives and the unions.

U.S. trade deficit cut

BY DAVID BUCHAN IN WASHINGTON

A BROAD-BASED rise in exports in June, outstripping increased imports of coal and oil, narrowed the U.S. trade deficit last month to \$1.5bn from \$2.47bn in May, the Commerce Department reported yesterday.

News of the modest improvement, which brings the overall trade shortfall in the first half of 1979 to \$11.75bn compared to \$17.2bn in the same period last year, came at an opportune moment for the U.S. dollar, under pressure recently on foreign exchanges.

The U.S. would in any case take action to stop its currency falling any further, Mr. William Miller, outgoing chairman of the Federal Reserve Board, said yesterday.

'We will not permit the dollar to deteriorate from the present level,' he told the Senate Finance Committee, at present holding hearings to confirm his appointment as the new Treasury Secretary.

His pledge echoed that made earlier this week by Mr. Anthony Solomon, Treasury Under Secretary for Monetary Affairs, and was coupled with assurances to the Senate Committee that 'the Miller Treasury' would make the fight against inflation its prime concern.

Support package

Though the dollar has in recent days edged back up a bit, Mr. Miller said the Administration would not hesitate to expand, if need be, the \$30bn support package of foreign currencies it put together last November. Since then, however, only a fraction of this amount has been used to bolster the U.S. currency.

The U.S. trade deficit has Continued on Back Page

BRITANNIA TRUST MANAGEMENT BRITANNIA SHARE EXCHANGE SERVICE

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THE WEEK IN THE MARKETS

Drifting quietly down

The equity market has begun its long summer snooze. Business is down to a trickle, but what there is seems to be all in one direction—the market is edging lower and lower.

the long end of the gilt-edged market was securely tapped, and prices began to drift lower. The gilt-edged market has had other worries to deal with: institutional liquidity is low at the moment—or heavily committed in advance, money market rates have been very high, a good two points above long gilt yields, and foreign investors seem to be treating sterling more and more as a short-term trading investment rather than buying bonds.

Caution tells

The combination of very high interest rates and buoyant loan demand has whetted investors' appetites for clearing bank shares this year. Ahead of the latest batch of interim results the FT bank sector had risen by more than a fifth—roughly twice as fast as the market as a whole.

However, a 61 per cent increase in Barclays pre-tax profits was very much in line with the performance at Lloyds and considerably less impressive than National Westminster's 102 per cent growth. The latter has been dogged by heavy bad debt provision in the past and the absence of these, plus some accounting changes and a reduction in its hefty capital spending, helped it turn in an above-average performance.

LONDON ONLOOKER

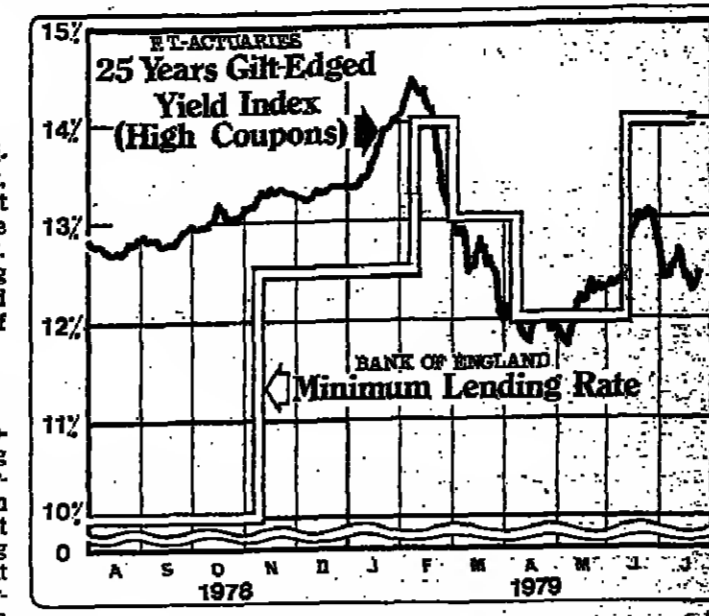
lost the benefit of its lucrative insurance broking operation which has been merged with Bland Payne. Overall, the banks' interim performance was not all that disappointing—aggregate profits rose by 70 per cent. But it was the cautious comments about the second half plus the rather stingy attitude to dividend increases that really soured the ebare market this week.

increased their gross interim dividends by roughly 30 per cent, but stressed that this did not mean that the final would be raised by the same amount. Maybe they are just being cautious—both banks could easily double their dividends if they so wished.

Davy and McKee

Whether or not the yearly profits from a large contracting group such as Davy International should be viewed in isolation is a moot point but almost static results during the week, like those published at the interim stage, were certainly not appreciated by the market.

Davy has shown a good deal of ringfencing in the takeover arena but at least two of its more notable acquisitions during recent years have had to ride the body blows of adverse trading conditions. The manufacturing, foundry and forging divisions of Head Wrightson have been badly affected as have the heavy crane making activities of Herbert Morris. The output was a £4.4m downturn in design and manufacturing profits which served to limit the overall advance to just £700,000 at £26.1m.



Sunny views

NEW YORK JOHN WYLES

WITH BARBECUES and lawn parties the social norm at this time of the year, U.S. stock markets chose to forget twistering temperatures and glutinous humidity and stage some festivities of their own this week.

Fortunately, Mr. Carter provided just this an Wednesday with his nomination of Mr. Paul Volcker as Chairman of the Federal Reserve Board to replace Mr. William Miller who, it will be recalled, is moving across to assume the mantle of Treasury Secretary. Now critics might say for the stock market to be jubilant about Mr. Volcker is a bit like throwing a party to celebrate the arrival of a party's executioner. But for the moment that is an improper thought since the market's evident happiness was no more than a reflection of the popping of Champagne corks in the world's treasure and central banks when they learned of Mr. Volcker's appointment.

111 per cent to 112 per cent. Now the shrewd investor and this is how the institutions like to think of themselves, is not going to make a greater commitment to equities until he has got a firm grasp of where the economy and interest rates are going.

Hence the fact that institutional equity holdings remain historically low and the commitments of new cash very modest. But that does not prevent them appreciating that the stock market does resemble a summer garden sale and that substantial bargains are available.

The Dow Jones Industrial Average, after all its selling on a multiple of 6.7 times the constituent companies' earnings for the year ending March 31. A year ago the comparable multiple was 9.3 which means that current prices compare very favourably bearing in mind the stream of good second quarter earnings results published this week, particularly from the oil companies.

To some extent this helps explain the market's very healthy complexion at the moment. After a slow start on Monday, trading volume figures have been close to 20m shares a day or above all week and each day there have been an impressive number of stocks hitting new 12-month highs. The 72 high kickers on Wednesday came from a variety of groups including chemicals, banks, oil and gas, electronics and broadcasting.

Some airline stocks also have been heavily traded because of "special situations." Pan American World Airways has bought more than 2m shares of National Airlines in the market this week and has itself been substantially traded. Both Continental Airlines and Western Airlines, which have been refused regulatory permission to merge, have been bought in large numbers, raising speculation that Continental may be somebody's takeover target.

For all of the gloom outside, the stock market still has good supply of cheap shares to supply any summer-time entertainment.

CLOSING INDICES table with columns for Day, Index, and Change. Monday: 825.51, -2.56; Tuesday: 829.78, +4.27; Wednesday: 838.51, +8.73; Thursday: 839.76, +1.25; Friday: 836.76, -3.00.

MARKET HIGHLIGHTS OF THE WEEK

Table with columns: Price Ytd, Change on Week, 1979 High, 1979 Low, and Description. Includes entries for Ind. Ord. Index, Barclays Bank, Caledonian Assoc. Cinemas, Charter Cons., Clifford's Dairies A, Gordon (Luis), Group Lotus, Hensher A, Ingram (Harold), Kitchen Queen, Ladbroke, Lawrie Plantation, Lloyds Bank, MFI Furniture, Newman Inds., Pacific Copper, Reardon Smith A, Rivington Reed, Sanderson Kayser, and Staveley Inds.

U.K. INDICES

Table with columns: Average week to, July 27, July 20, July 13, and Description. Includes entries for FINANCIAL TIMES Govt. Secs, Fixed Interest, Indust. Ord., Gold Mines, Do. (Ex 1 pm), and The bargains.

FT ACTUARIES

Table with columns: Capital Gains, Consumer, (Durable), Consumer, (Durable), Inds. Group, 500-Share, Financial Gr., All-Share, and Red. Debs.

TOP PERFORMING SECTORS

Table with columns: Sector and Change. Includes Wines and Spirits, Property, Engineering Contractors, Hire Purchase, Textiles, Overseas Traders, Oils, Insurance Brokers, Food Manufacturing, and Toys and Games.

The man who stood under the clock

FOR QUITE a few years he could be found standing underneath the clock in Throgmorton Street, opposite the Stock Exchange door which most of the dealers in mining shares used to those days. He was a realist, if ever there was one.

city, but while new capacity should be in preparation in the few mining countries there is still too much talk and too little action in tackling the problem of protecting mining capital in those areas. His main concern for RTZ in the near term was the adverse impact on the U.K. company's earnings of the strength of the pound. Most of the profits are earned overseas and there is thus an exchange loss when they are translated into sterling.

return offered by the Australian industrial equities which are reckoned to have only about half the risk element attaching to the mining stocks. "Of course," he added, gazing above my head, "the study was commissioned by Conzinc Rhotondo of Australia, but it does show the unfairness and undesirability of extra taxation of mining profits when metal prices are in an upswing."

"You don't need a crystal ball to operate successfully, providing you are not fool enough to try to get in at the bottom and out at the top; if you are greedy, you will almost certainly come a cropper."

MINING

Before I had quite digested this onslaught he added, "Look at the energy crisis. American cars still guzzle petrol at half the price it should be, we tinker with windmills and solar panels on council estates, and every-body knows that we should be going all out to provide safe nuclear power."

KENNETH MARSTON

of metals, for example, that took place in the first half of this year before the recent easing. "I know," I said, getting a word in edgeways, "this week has been reporting a steady stream of boosted first half profits from the Canadian and U.S. mines which, unlike RTZ, have gained from the weakness in their currencies."

TIN OUTPUTS COMPARED

Table with columns: Country, 1979 June, 1979 May, Total (annual) to date, and Same period previous year. Lists countries like Anal. of Nigeria, Aokan, Ayer Hitam, Berjuntal, Bislich Jantar, etc.

Decline of the small investor

shareholders stood at 19.06m, down 310,000 from a year earlier, and the volume of shares held by individual shareholders was reduced for the first time, in six years, to 61.4bn, down 400m.

TOKYO YOKO SHIRATA

THE NUMBER of individual shareholders in Japanese securities continued to decline in the 1978-79 fiscal year, to reach a record low at the end of March, while the number of institutional investors reached an all-time high, according to the National Securities Transaction Council.

INDIA R. C. MURPHY

with profits declining from Rs 28.11m in 1977 to Rs 25.57m in 1978. On the other hand Citibank turned out better results, with profits quadrupling to Rs 4.32m in 1978 from Rs 1.02m in 1977.

The banks slip a little

SEVEN OUT of 12 foreign banks operating in India have shown reduced profits for 1978. Three of them, account for the majority of branches among foreign banks in India (because of British connection at some stage or the other), are the worst affected.

INDIA R. C. MURPHY

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BAHRAIN MARY FRINGS

by the U.S. dollar as the common denominator. It is worth noting that the Saudi Riyal comprised approximately half the exchange market, the next most active currency was Sterling, with Kuwait Dinars and German Marks some way behind.

Interest in Sterling

FOREIGN EXCHANGE turnover in the Bahrain market is estimated roughly to have doubled in the first half of this year, compared with the first six months of 1978, to reach U.S.\$30m a week—and to have risen to around \$40m a week in May and June.

Advertisement for 'The man who stood under the clock' featuring a portrait of a man and the text 'هكذا من الأهل'.

FINANCE AND THE FAMILY

Pensions for self-employed

BY OUR LEGAL STAFF

Could you give me some information about pension schemes for self-employed and workers? My son-in-law and daughter operate a craft shop here and have one full-time employee. Could you recommend some literature on the subject?

It is possible to operate a pension scheme for only one person. Presumably your daughter and son-in-law also wish to pro-

vide retirement pensions for themselves. If they run their business as a limited liability company (approximately cost £100) then they can be treated as director/employees and appropriate sums can be extracted from the gross profits of the business (i.e. before tax) to build up funds for these three people and for any further employees who may be taken on. If they are not operating as a limited company

and do not wish to convert then they would have to operate a one man (women) pension scheme for the employees and buy retirement annuities as self-employed persons themselves (generally speaking not as good as being in the pension scheme). For further literature we suggest that you write to the Company Pensions Information Centre, 700 Park Lane, London, W.1.

It is correct that you can create in equity a division into any number of shares. Thus if the property is conveyed or declared (in writing) to be held on trust for sale, the proceeds of sale may be divided into any convenient number of shares, i.e. 10, 20, 100, 1,000 or any number which suits your purposes.

Central heating and rates

Referring to your reply under Central Heating and Rates (June 2), if property which has been improved changes hands, can it then be reassessed for rating purposes?

Regardless of whether the property changes hands, the postponement of rating revaluation means an automatic extension of the period during which property cannot be reassessed by reason only of the installation of central heating. But this latter provision does not apply to improvements in general.

carried out, would the insurance company contend the property was under insured? The insurance value of a house is normally the cost of its reinstatement so that the proposed cover may well be suitable. However, the contract of insurance is one of indemnity only; so that you would only be paid out a sum equivalent to your actual loss, up to the limit of the insured value. Hence you would probably only be able to recover £400 or thereabouts for a total loss. You could stipulate for replacement value in any event, but that would "probably" raise the premium. The landlord would not have to rehouse his tenants in the event of a total loss not caused by the landlord's negligence or deliberate act. The insurers may always seek to reduce their liability on a partial loss if the total sum insured is less than the full value.

Available home

I new live abroad but, some time after April 5, 1980, I propose to take up residence in the UK. I now have an opportunity to buy a house (unfurnished). If I did, would it be regarded as available accommodation and so make me liable to UK tax? If the vendor is prepared to wait, the council of perfection is that you should not complete the purchase before the end of the tax year. However, it is most unlikely that any body of appeal commissioners would regard an empty house as a place of abode maintained for your use (provided that you do not actually use it, of course).

Access right

Access to a plot of land I own is through the matrimonial home from which I was evicted, though I understand that an injunction not in my own or my wife's name is a matter for a judge. Is this the case? What right of access do I have to the land? If the injunction was granted by the registrar, you have a right of appeal to the judge. However, in view of your need to secure provision for access to the land your best course would be to apply to discharge the injunction on your offering an undertaking to the court which would prevent the mischief of which your wife complains. You would be wise to consult a solicitor.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Control of premiums and market forces

INSURANCE

JOHN PHILIP

ALTHOUGH the Government's Competition Bill has not made the progress through the Commons that was originally planned, the overall timetable for its enactment is substantially unaffected, so that in the late autumn not only will the Price Commission be formally abolished, but legislation associated with price control will be repealed.

Since 1973 some insurance premiums have been controlled, not by the Price Commission, but by the Department of Trade, by powers given under the 1973 Control of Inflation Act. So the DOT will now stop setting premium rates and insurers will be free to raise their motor, household and other similarly published rates without either giving prior notification to the DOT or providing mathematical justification by formulae agreed between the Department and insurers.

In fact the abolition of insurance premium control need cause no anxieties. Only for a few months from its introduction in 1973 was control stringently exercised, and over the six year period since, the DOT has continually relaxed its degree of supervision; and even in stricter days, in the mid-70's, individual insurers had known DOT officials to ask the question "do you really think your proposed increase is enough?"

This kind of question was asked because the DOT officials dealing with premium rating increases were also concerned with solvency—the ability of the individual insurance company to meet its commitments. In agreeing increases they were very conscious of the failures of motor insurance companies around 1970, failures which for the most part were due to over-optimistic assessment of claims liabilities coupled with consequent underpricing.

and remains good for the household as well as the motorist. It is close on nine years since insurers abandoned the household tariff, and for most of that period the home policyholder has enjoyed increasingly wide cover without suffering increases in premium rates (the fact that we are all paying much more for household insurance than in 1970 stems from the effect of inflation on sums insured). It is only in the last year or so that insurers have begun to raise premium rates for contents cover, specifically to contain the ever increasing cost of crime in urban and suburban areas. But, for every insurer who is seeking around 40p or 50p per cent on contents in high risk areas there is another still looking for 25p per cent.

The standard rate for building insurance still remains at 12½p per cent or sometimes less, even though many individual insurers have been anxious to get at least another 2½p per cent to deal with the now known potential of subsidence and the bababazard but continual effect of winter and weather. But, in the event, justifiable increases in household building rates have not been made, not because of the intervention of the DOT, but because those insurers who wanted increases reckoned that they could lose more by becoming uncompetitive on a rate than in fact they were losing at their current rates.

Because the DOT's powers in this field are soon to be abolished there is no reason to think that the household insurance picture will be very different in the months to come—if the long-predicted, long expected rating changes are introduced for buildings insurances, for competitive reasons they will be kept as low as possible and probably related to improvements in cover.

Throughout the personal insurance scene—life, disability, permanent health, the competitive picture is the same, with many insurers offering a choice of contracts and prices. As in the last six years in the non-motor, non-household field the DOT's control has been conspicuous by its virtual absence, so there is no reason to think that the abolition of that control will make any difference to these aspects of personal insurances.

No claim on property

I am thinking of having a man move in with me and his things, work out, we shall marry. But if we do not and later separate, could he have any claim on any of the contents of my house? The man would have no claim on my property, but it would be wise to have a careful record made of the items which are your property at the outset of the cohabitation, in order that there should be no dispute in future as to whether any items were acquired later and possibly out of joint monies or out of his own funds.

Grazing a paddock

I have a small paddock and as I do not use it, I am proposing to allow a local farmer to use it for grazing. Are there any legal safeguards that I should take? It is essential that you limit

the farmer's use of the field to grazing (or mowing) only, and that the letting is for a period less than one year. Any new or renewed letting in the following year, must also be for a period of less than one year, and preferably after an interval, however short, after the end of the previous letting.

Wife's earnings taxation

A husband and wife jointly earning between £7,000 and £8,000 per annum were advised last year to have separate assessments for income tax.

Under the new budget proposals would it now be in their interest to revert to a joint assessment? Presumably you are talking about an election for separate taxation of your wife's earnings (under section 23 of the Finance Act 1971 as amended), and not (or not solely) about an election for separate assessment of your wife's income (under section 33 of the Income and Corporation Taxes Act 1970).

That being so, the answer is probably yes, but we should need full details of your respective incomes and deductions, etc., to say for sure. If you cannot work out the position for 1978-79 and the likely position for 1979-80 (and you cannot get any help from the person who advised you last year), you may care to come back to us—with as many facts and figures for each of the two years as possible.

Shares in a house

My wife and I propose to provide capital—perhaps 50 per cent of the purchase price—to my daughter for the purchase of a cottage to be taken in joint names. We propose thereafter annually to make her a gift of capital—perhaps £2,000 to enable her over a term to acquire our interest. We recall that very recently you advised that the interest of several parties could be expressed in shares—25% or so. Have we understood you correctly?

Under and over insurance

I have some controlled cottage properties which an agent suggests I might offer to the council for £400 each, but which he says, to meet the British Insurance Association's method of calculating the value for insurance purposes, should be insured for £8,000 or more each. Would the insurance company in the event of loss take the amount of insurance as correct, or would they say the cottages were vastly over insured and only pay in proportion? In the event of a total loss, is the landlord responsible for rehousing the tenants? If the BIA's recommendations are not

The many questions of interest

ONE OF the most confusing and confused pieces of draftsmanship in the taxing acts is that relating to the deductibility of interest on personal borrowings. It is relatively easy to unravel the provisions relating to loans of up to £25,000 for purchase or improvement of the taxpayer's only or main residence, this being the principal acceptable category of interest. But there are other purposes for which interest can still be tax-deductible.

To understand how those others are now embodied into the taxing acts is an arduous task, and the extent to which a draughtsman's aversion to "repeal" has distorted something of the history. Up to April 5, 1969, there had been no restrictions, but for the next three years (from then to April 5, 1972) deductibility was permitted only on interest on loans raised for six specified purposes.

We do not need to concern ourselves too much with the draughtsman's definition of those purposes: each has been transferred in later legislation at which we will look in a moment. But there is one particular way in which three of these classes

have had preserved for them a niche in the next historical phase.

From April 6, 1972, the restrictions were swept away again, but the deduction was given in full only for interest within these three classes, that is to say interest on borrowings (whether before or after 1972), "which were for the purchase or improvement of land or buildings," or for the purchase of machinery or plant for use in a partnership or in an employment. The 1972 legislation specifically disallowed the first £35 per annum of all other interest.

The modern era dawned on March 27, 1974. Tax deductibility was then once again heavily restricted, but generous transitional provisions were enacted for borrowings already in existence at that date. So far as concerns loans raised thereafter for a tax payer's only or main residence, the rules have been examined in this column relatively recently (April 21, 1979). But the transitional arrangements and the other permissible purposes merit some examination.

Dealing first with the transitional, the 1974 Finance Act

allowed tax payers to continue deducting until April 1980, interest on borrowings before March 27, 1974, even though the purpose for which they had been raised was not recognised in the 1974 legislation. More generously even than that, the draftsman allowed taxpayers with overdrafts at March 26, 1974, to deduct interest for the year to April 5, 1975, and provided that these overdrafts were converted into loans before that latter date. Interest continues to be deductible during the remainder of the six-year transitional period.

Mr Geoffrey Howe is currently extending the period of transitional deductibility by a further

TAXATION

DAVID WAINMAN

two years. The Finance Bill at present in front of Parliament delays until April 5, 1982, the moment at which pre-1974 borrowers need to reappraise their positions. Interest is still deductible transitionally only after the disallowance of the first £35 per annum. There is an exception to this—and it is in this area that the law becomes most mysterious. "Protected interest" is the phrase used to describe the categories granted full transitional deductibility because the original borrowing was for one of the three 1969 purposes which were approved in the 1972 legislation. But although the phrase remains, and there is still a signpost to its definition, that definition has in fact been removed in the course of subsequent amendments.

It seems to be accepted that one must now look to the more recent and more tightly drawn definitions (in Schedule 9 of the 1972 Finance Act in its presently amended form) of the loans which are to be regarded as raised for the purchasing or improving of main residences, or purchasing plant for partnerships or employments. But it is absolutely clear that these transitional arrangements look only to the purpose of the loans, not to their amounts. Interest on a pre-1974 house purchase borrowing in excess of £25,000 will be fully deductible, without a £35 restriction, until 1982 so

long as it fits squarely into the requirements of the "house purchase" legislation.

There is one other point which is worthy of mention, arising out of these transitional arrangements. Certain taxpayers who borrowed money before 1974 in order to invest in their own businesses found that they did not fully meet the definition of "working proprietors" written into that year's law. Relief for interest (except for the first £35) was therefore available, but only for the six transitional years. Those who cannot at present repay their borrowings will be grateful for the two further years' respite to April, 1982, now given to them by the Chancellor, while he decides whether he can widen the definition.

This brings us, finally, to the categories of loan (other than house loans) on which tax relief is now available.

Purchasing plant for use by the borrower's partnership, or in his employment—but interest is only deductible for three years from the date of borrowing. ● Purchasing shares in, or lending money to, a "close" trading company—but the borrower must own over 5 per cent of that company and must work for the greater part of his time for it. (A close company is one under the control of five or fewer persons.) ● Purchasing a share in, or putting capital into, a partnership—although the borrower must be a partner the law does not stipulate how much of his time he must spend working for it. ● Payment by executors of capital transfer tax. ● Purchase by an individual over 65 of an annuity on his own life.

And, in viewing this list, one could perhaps also ask what might be the likely outcome of the policy review which seems to be taking place between now and April, 1982. One result might, as already indicated, be a widening of the definition of those accepted as working proprietors. But there are other influential voices (among them being Professor Douglas Hague advising the Prime Minister and Chancellor), who say that mortgage interest should cease to be deductible: where would that leave other interested parties?

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Here's a table to show you what we mean. Table with columns: SUM INVESTED, CHOOSE CAPITAL GROWTH, OR MONTHLY INCOME. Rows: £500, £1,000, £5,000, £15,000.

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G W Joynson & Co Limited, London's leading commodity futures brokers, have acquired 100 per cent of Stronghold Management Limited, managers of Stronghold Managed Commodity Trust. Trustees and administrators are Hongkong and Shanghai Bank Trustee (Jersey) Limited. G W Joynson & Co Limited, 14 Trinity Square, London EC3N 4ES. A member of the Inchcape Group of companies.

YOUR SAVINGS AND INVESTMENTS

A new income bond launched last week was better news for investors than for the life insurance industry. Eric Short reports

Liberty takes its freedom

HOW THE LIBERTY BOND WORKS

Part of your investment is used immediately to buy the first year's premium on an ordinary 10-year endowment policy. The balance buys three single-premium pure endowment policies. This is how each £1,000 investment is split:

Premium on one-year pure endowment	£309.50
Premium on two-year pure endowment	£256.00
Premium on three-year pure endowment	£219.00
First annual premium net on 10-year endowment	£224.40

One after the other the pure endowments produce a maturity value of £349.40 in successive years.

Annual premium on 10-year endowment	£224.40
Income paid to investor (net of basic rate tax)	£116.00
Total	£340.40

A basic rate taxpayer thus gets tax-free income of 11.6 per cent a year on his investment. Each £224.40 premium on the 10-year endowment attracts a tax subsidy of £47.60. The 10-year endowment is surrendered after three years and a day and pays out a guaranteed sum of £1,000. As this is only 94 1/2 per cent of the gross premiums paid, it is not subject to tax clawback under the Inland Revenue's rules.

Coon: tax clever

HOW CAN A small life insurance company afford to pay a return of 11.6 per cent net of basic rate tax to income bond investors? This was the question raised last weekend by the launch of Liberty Life's new guaranteed income bond. Liberty, a little-known American company, is offering this phenomenal return over three years—probably the most attractive offer ever in the history of income bonds. It compares with a return of only 9 1/2 per cent tax-paid on three-year building society term shares.

Liberty's offering, designed by the actuary Chris Coon, relies heavily on an exceedingly clever use of the tax rules for life insurance policies. At the heart of the bond's intricate mechanics is a 10-year endowment policy designed to be cashed in with a guaranteed surrender value after just three years. The lump sum the investor puts up is split so that part goes back to him in income and the rest is fed progressively into the 10-year endowment policy. The secret of using the endowment policy is that the premiums qualify for a tax subsidy of 21 per cent.

The panel above shows how the bond's four main components—the 10-year policy end and three "pure endowment" policies—mesh together. A pure endowment policy is a single-premium contract in which the investor's money is invested in a life company fund to provide him with a guaranteed maturity value. Probably the cleverest aspect of the package is Liberty's way round the tax clawback arrangements which usually make surrendering an ordinary endowment policy within four years very unprofitable. Liberty has pitched the guaranteed surrender value after three years so low that it does not suffer clawback under the Inland Revenue's formulae. But to balance this the pure endowments, which are not subject to clawback rules, guarantee an artificially high return. The three-year endowment costing £219 and providing £340.40 at maturity, for instance, accumulates at a rate of 15.8 per cent a year.

Doing the tax sums

Basic rate taxpayers have no tax bill to pay on the income since the life company is deemed to pay tax at 37 1/2 per cent. The position of higher taxpayers is that they face higher rate tax on the difference between the maturity value of the "pure endowments" and the purchase price. Thus since the profit rises each year in the case of the Liberty bond, a higher rate taxpayer has a falling net income.

As far as the return of capital is concerned, the Liberty bond is designed so that there is no profit in cashing-in the 10-year endowment policy and thus no higher rate tax liability.

per cent on its investments. The bond gets a further boost from Liberty's decision to invest in out-of-the-way local authority stocks. These yield a full half-point more than corresponding Government securities. They are considered equally acceptable from the point of view of the actuary in matching his liabilities. Unlike gilts, however, local authority investments are not very marketable—so they may have to be sold for less than an equivalent gilt if they have to be cashed in before maturity. Coon has recognised this problem by making no promises to investors who have to cash-in prematurely. This should be reassuring to investors wary of entrusting their money to a small company. The memory of the mid-1970s, when a few life companies ran

Money Monitor Under one roof

WITH the appointment of John Manser as investment director, the Save and Prosper group has completed an almost unnoticed transformation in its approach to the unit trust industry.

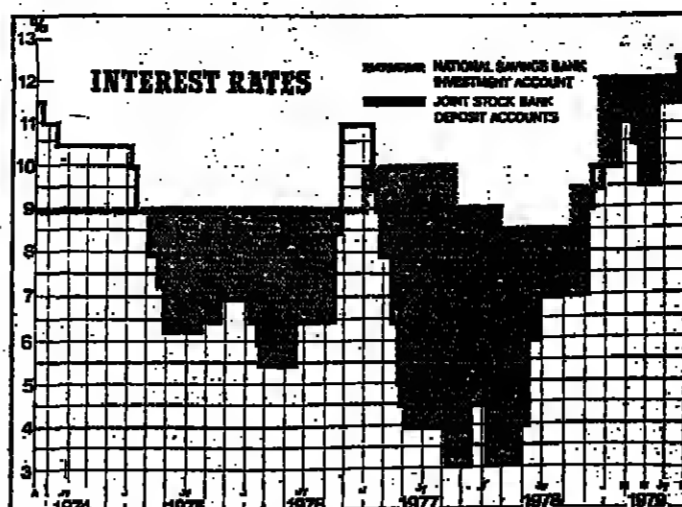
Manser, like his predecessor Lawrence Banks, comes from Fleming's merchant bank which owns a near one-third stake in Save and Prosper. Banks was Save and Prosper's first investment director and when he joined in 1973 the group hardly had a slide-rule left alone a share analyst to call its own. Until then the group's investment decisions were farmed out to Fleming's, which looked after the London-based trusts, and Ivory and Sime, which looked after the Scottish ones.

Banks played himself in by looking after the group's new property, bond and other insurance-linked investments. Then three years ago Save and Prosper took over all the investment decision-making but retained Fleming's and Ivory and Sime as advisers. Now the transition is complete with the launching of a new Save and Prosper investment management subsidiary which Manser will head.

Save and Prosper thinks the main advantage of bringing investment and marketing under one roof is that it improves the group's capacity to respond to what the investing public—and the intermediaries—want. Banks, who is now returning to Fleming's, points to the group's success in the booming market for high-income unit trusts as one of the more tangible benefits of the new set-up. He thinks the group would not have been so quick to respond to the trend or to develop the right products if the marketing and investment men had not been in daily touch.

We have lift-off

Pensioners are backing a racing certainty if they buy "Granny Bonds" by next Tuesday. Granny Bonds—the retirement issue of National Savings Certificates—give you bonuses in line with the rise in the cost



The National Savings Bank is raising the interest on its investment account by 1 per cent to a record 12 1/2 per cent in September. The increase takes the NSB clear again of the basic deposit rates of its old rivals, the clearing banks. This chart shows that in recent years, returns on the NSB account have been higher than on ordinary bank deposits.

of living. They are a particularly good buy just now because of the way the index-linking works—by buying before the end of July your index-linking will be back-dated to mid-May.

Your entry point and leaving point on the cost-of-living escalator is in each case deemed to be the index level announced in the previous month and relating to the month before that. The index rise between mid-May and mid-June was 1.7 per cent and the index for mid-July, boosted by the big rise in value added tax, is expected to show a further rise of more than 3 1/2 per cent.

The catch is that you have to hold the bonds for at least a year to qualify for cost-of-living bonuses.

Waiting for Europe

Following the latest easing of currency controls, unit trust investors can at last go into Europe without dollar premium complications. Until now most

European unit trusts have had to use foreign loans to get round the premium. The new rules mean loans are no longer needed in the case of Common Market shares—so European unit trusts are planning to phase out most of their loans within a few months.

This will save interest charges. But there will also be the incidental consequence that in future unit holders will be exposed directly to the ups and downs of European currencies against the pound.

With unit trusts investing in loans, exchange rate movements against the pound are normally neutralised, which in recent months has worked to the advantage of unit-holders. Most unit trust groups are cautious about the short-term outlook but Henderson, whose fund is the best-performing in the field, reckons that it may be time to buy again in the autumn.

Henderson's fund is heavily weighted towards France, with a big investment also in Holland. Save and Prosper and Schroder are backing France and Germany; Grievson is mainly in France and Switzerland and M and G in France, Britain and Holland.

EUROPEAN UNIT TRUSTS

Gain/loss over one year*	Gain/loss over five years*
2.2	2.8
12.1	25.9
0.7	4.2
6.3	22.2
9.4	44.9
4.8	14.8

Grievson London & Brussels
Henderson European
James Finlay European Finance
M & G European
Save and Prosper European Growth
Schroder Wagg Europe
* To July 1.

Source: Planned Savings

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PROPERTY

Bristol survives growth

BY JUNE FIELD

THERE IS a section in the Victoria Guide to the City of Bristol which states quite candidly that in this century the ancient heart of the city was blighted by a lack of overall planning...

buildings date from the Georgian and Regency, their heyday following the opening of the Assembly Rooms in 1811. As David Harvey, partner in Bristol and Avon estate agents Hartnell/Taylor/Cook...

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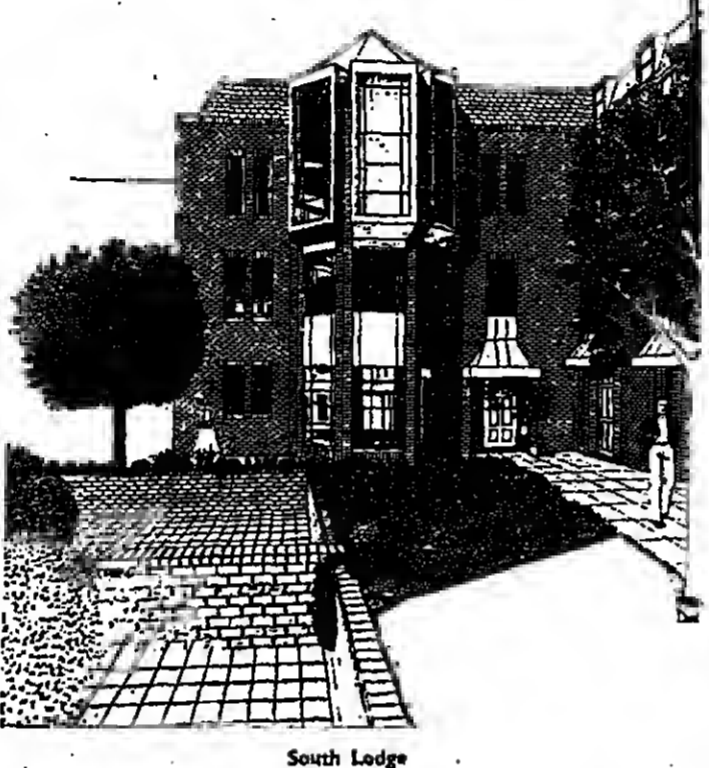


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GARDENING

ARTHUR HELLIER

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medium size member. But let us not worry too much about the species that matter being Japanese or Chinese with a couple of relative unimportance from North America.

Even the common British meadow sweet is worth a place, especially if one does not live in the country where it is such a common sight in the wild that it is unnecessary to repeat its beauty in the garden.

They combine the plumy habit of the white flowered species with the colour of A. davidii and so offer a complete range of colours and forms from white to deep crimson and even arching. Betsy Cuperus is one of the large ones, over a metre high with loose sprays of pale pink flowers.

For details contact David Prentiss, sales and marketing director, Barratt Developments (Investments) Ltd., P.O. Box 5, Barratt House, 668, Hitchin Road, Luton, telephone 0528 31181.

Finally there is a giant of the family, the Goat's Rue, Aruncus vulgaris which used to be Spiraea aruncus a name which reveals much more clearly its garden worth. It is a big, fast growing plant with much divided leaves and great plumes of creamy white flowers.

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Handwritten text: J.P. ...

GOLF

Attacking the home team attracts criticism

THE ABUSE that has come my way as the result of an assertion last weekend that the integrity of the Open championship had been impugned by the 1979 winner Seve Ballesteros, was exceeded in ferocity only by that which greeted my fierce criticism of the British. And so it was with great sorrow that I read that Mark James who alone of the British performed with great credit at Royal Lytham, had pulled out of the next U.S. PGA qualifying school because he felt he was not yet capable of earning £50,000 a year or more over there.

Dear Mark, very few rookies amass six figures in their opening bid. In fact, only four have ever managed to do so, and they do not include the great Jack Nicklaus, who won over \$61,000 in 1962, his first as a professional. For the record the distinguished quartet comprises Bob Murphy, Lanny Wadkins, Bob Gilder, and Jerry Pate, the last named of whom even managed to win the U.S. Open in 1976, his rookie year, as had Nicklaus.

Shy away

Interestingly throughout his long and distinguished career the legendary Sam Snead has never reached six figures in a single season. My own selfish wish, because it grows ever more embarrassing to be a lone British voice crying in the wilderness on the American air, is that James might have given it a try.

The British are second runners because they shy away from competing against the best. Despite Ballesteros's brave but very fortunate victory the Americans are just that, as I am sure they will prove yet again in September's Ryder Cup match in West Virginia, when Europeans will be included in our side for the first time.

Among the vituperative telephone calls and mail I have received on these two vexed subjects came one markedly sane conversation, however. The former England and Worcestershire opening batsman Peter Richardson, himself an excellent low handicap golfer at Rye, told me that he and his friend, the former England amateur golfer Alex Holmes, had been approached by a professional who struck up a nice

GOLF

BEN WRIGHT

nodding acquaintance with the fairways at Royal Lytham should have been allowed to win our premier championship. Of course, Richardson and Holmes are absolutely right.

It was quite ridiculous to read that Arnold Palmer had been very wild from the tee when he first ventured on the U.S. tour. That is a total misconception. Of course, he made it fashionable to hit the ball as hard as was physically possible, and occasionally was forced to do so from the most unlikely places—witness the plaque at Royal Birkdale. But Palmer was never remotely near being as wild as is Ballesteros. Palmer won his major title because he was an inspired and fearless putter, a consistent driver, and a superb iron player. In short, he was a complete golfer.

With due respect to Ballesteros he can hardly be described in those terms, yet, although if his back holds up there is no doubt he could become, as they say, one of the all time greats. Certainly, the handsome Spaniard is an exciting player. He was followed at Royal Lytham by as many teen-aged females as one might expect to see at a pop concert, and his presence is a boon on a European tour woefully short on heroes. It is quite extraordinary that a nation longing for a golfing messiah, as we are in Britain, have taken Ballesteros so much into our hearts he has become as popular as fish and chips—and good luck to him.

Land softly

Ballesteros hit only two fairways with his driver in the last two days at Royal Lytham. The key to his victory in his own view was his sand wedge. In that on 14 of 15 occasions he was trapped in greenside bunkers he needed only one putt. But he also appears to have a price less and possibly unique ability to judge with minute accuracy when the golf ball will behave when he lashes it with his British force from what his rivals would be flying themselves out

of which the ball is virtually uncontrollable.

Ballesteros has a touch and feel so sensitive that he alone can persuade the ball to land softly, while mere mortals watch the ball in an agony of despair as it rushes over a green and back into the undergrowth, whence it came. The young Spaniard is also blessed with abundant courage without which major championships are not available. His ability around the greens is nothing short of uncanny. But he may be the worst driver of a golf ball ever to have the Open championship.

But I will never regard the 1979 Open as anything but standard, and I fervently hope that the Royal and Ancient golf club of St. Andrews will see to it that Muirfield in 1980 is as villainous in terms of rough grass as it was in 1966 when Nicklaus won for the first time by bisecting the narrow fairway, usually with his one iron. I feel the great championships should be won in this manner, as was Peter Thomson's brilliant fifth victory secured by the judicious use of his three wood at Royal Birkdale the year previously. Then it had been that both Palmer and Nicklaus betrayed themselves with their drivers, while Thomson's only aim was to keep the ball in play, which in my view is what the game is all about.

Facts of life

As for the British—I was castigated for always knocking them without stating adequate reasons for so doing. I rest my case, and the facts of life make it a watertight one by stating that golfers can never compete in the highest class unless they do so with what may seem to them like monotonous regularity. Only then does a major championship of such heroic proportions as our Open has become appear little more than just another tournament—at least in terms of the quality of the field involved. Tony Jacklin proved that point admirably, as has Peter Oosterhuis in his own way with half Jacklin's natural talent. Only the Ooster of the British professionals I have known over 25 years has really applied himself 100 per cent to the job. What an appalling state of affairs.

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HOW TO SPEND IT

by Lucia van der Post

Keep the kids cool, comfy and curious



Drawings by Colin Baker

THE long summer holidays are with us and though we can't always be sure of weather to match, most children at some stage need a few special hot-weather clothes. Though the British store still indulges in the apparently mad system of selling off at cheap prices most of the summer stock before the main part of the summer is under way, some of the better stores still do have some very attractive beach clothes in their children's departments.

If you're looking for something special for the beach, something with a touch of the continental about it, Harvey Nichols of Knightsbridge has a very attractive children's wear department. Most of the clothes are too special and too expensive to consider dressing a child there for everyday but for the odd special occasion outfit, I can't think of a better place to go.

Sketched here is a selection of beachwear, most of which

comes from Italy, which is exceptionally attractive. Because of the recent good weather Harvey Nichols can't guarantee that every piece sketched here is available, but there is a good selection of similar wear.

Left, the strawberry hermina shorts are part of a complete strawberry range. Made from 82 per cent nylon, 18 per cent elastane, they cost £9 for ages two to eight. The cotton T-shirt also has the strawberry theme and is in cotton, £5 (p+p 80p), for ages two to 16.

Right, the Seubida hddal pants come in brightly-coloured cotton and are £3 for ages four to 12. The T-shirt is also in cotton and has a satin and lace pterrot face featuring large on the front, £15 for ages eight to 14 (p+p 80p). The quilted satin pouch bag has £12 (p+p 80p) and matches the yellow, green or orange background of the chosen T-shirt.

MOST PEOPLE'S experience with small children is that they, the parents, tend to get carried away and buy a whole host of equipment, much of which is of dubious merit and which they find is quickly outgrown. Any attempt to find furniture which doesn't have this built-in obsolescence is therefore worthy of attention.

Westnøfa, a company specialising in marketing Norwegian furniture of that name, has at the moment a very interesting chair called the Tripp Trapp which is designed to see a baby through its babyhood, childhood and then on into adulthood.

The chair is the result of years of study by a young Norwegian designer, Peter Opsvik, who discovered that 15 per cent of all school-age children suffered posture faults had enough to warrant physiotherapy and that no less than 60 per cent needed expert treatment for back and other posture troubles later on in life.

He discovered that many of these problems start in childhood because children are not provided with seating that adequately supports their backs. So he set out to design a chair that would be comfortable for long sitting periods, would encourage correct posture and he designed around the human frame.

Because children come in all ages and sizes Peter Opsvik decided that no single dimension would suit every child—he would have to design a chair with adjustable dimensions. So the Tripp Trapp has a footrest and a seat which can be raised or lowered very easily, each fitting into one of a series of grooves in the beech frame, so that various permutations can be achieved to suit various heights and lengths of leg. When the child outgrows the footrest it can be removed altogether and it can then be used as a seat for an older child or adult.

The chair can be used either at the dining-table (there is a high-chair bar and adjustable strap for babies) or as a general purpose chair. The back of the chair is curved to provide firm support.

Besides being designed to



cope with all the ergonomic problems of seating children and adults of different ages and sizes, the chair is very nice to look at in a simple, rather Norwegian way. It is made of sturdy natural beech

or it can be stained red or brown. It costs £37.33 (the high-chair rail is an extra £5.46) from Westnøfa stockists, which include Heals' of 196 Tottenham Court Road, London W1.

NANNY would be amazed at what Clark's have done to some of their children's shoes. They've brightened them up so that they look as appealing as a pop poster. Whether it's all to do with this jogging craze from America or whether a certain French make of shoe has had a subliminal influence on shoe design as a whole, I can't be sure, but today's kids' shoes look quite different from the way they did when my own children were tiny.

If you want to buy your own children some holiday shoes Clark's are a good name to look out for—they combine the old-fashioned virtues of high-standards and care over fittings with this newly-fashionable attitude to colour.

For fair weather there's the Clarks Surfer which has a leather upper and a man-made sole. In brown, stone, blue or claret all with natural contrast, the shoes come in sizes up to 5 for children and up to 5½ for adults. From leading Clark's stockists they are £25.00.

For the wet weather that seems to arrive at some stage of almost every British holiday there are lovely bright red, blue or yellow PVC boots trimmed with Superkids motif and a practical



tie-front. Available in infant sizes up to 6 and up to adult size 3, £3.99 to £4.50, from Peter Lord branches.



BUYING A set of encyclopaedias is an enormous decision for the average household and yet most families at some stage feel the need of one. Prices start somewhere at around £10.95 and go up to £465 for the most simply bound version of the Encyclopaedia Britannica. So how, on earth do you decide?

The Good Book Guide realised that most people were fairly bewildered on the subject and so they commissioned a report on the encyclopaedias on the market. For their spring issue, volume five, Frank Muir reviewed seven of the major volumes for adults, while the current issue, volume six, reviews six of the most reputable volumes for children.

For those who have not yet come upon the Good Book Guide I had better declare its credentials. It was started primarily to draw to the attention of people who were either housebound or lived far from a good bookshop the best

of the current published books. Not only does it draw the books to their attention, it also guarantees to have the recommended books in stock and to supply them to its readers.

Any orders over £5.00 are posted free of charge and the Good Book Guide itself is published three times a year (i.e., every four months) so that each issue is reasonably up-to-date. The guide has no commercial attachment to any publishing house; takes no paid advertising but makes its selections entirely on the basis of the editors' own views and the recommendations of their panels of experts. Readers can arrange to receive the Good Book Guide by paying a subscription of £3.50—however, with their first issue of the guide they receive a book-token worth £3.50.

Besides reviewing the books, there is normally a consumer survey of some sort, which is where we came in with the review of cyclopaedias.

The editors have found the demand for the survey of children's encyclopaedias to be huge. At the moment there is nowhere for parents to go, actually to compare and contrast the volumes available.

Very few bookshops can afford the space to stock them all. Many multi-volume sets are only available through the publishers who use various methods like direct mail shops and doorstep sales, to sell them.

To help make the assessment as fair as possible questionnaires were sent to hundreds of parents and children of all ages and all sorts of different schools. The guide doesn't promote one encyclopaedia at the expense of another but rather has tried to assess the scope, the advantages and disadvantages, of each system.

Readers who would like a copy of either report should write to The Good Book Guide, P.O. Box 28, London SW11, and they will be sent a copy free.

The grate outdoors

ONE OF the nicest books on the subject of eating out of doors has recently been published. As you can see on the right, I've drawn quite heavily from it for illustrations, which convey the flavour of the book quite well. It's written in a very down to earth manner by Heinz and Geneste Kurth and they call it "Barbecue and the Joy of Cooking on an open fire". They don't assume that you know anything at all about barbecuing so if you are one of the many who have never before tried it, this book will show you how.

They start at the beginning with a discussion of fuels and lighting methods and then lead the reader through the numerous decisions that lie ahead. They show you how to make a simple, improvised barbecue—and I do think it is only sensible to start in this way, rather than to lash out from

the beginning on a very expensive elaborate piece of barbecue equipment.

It is quite astonishingly easy to improvise a very simple cooking device—as the authors point out, even a flower pot and some chicken wire will do, or otherwise some simple bricks and expanded metal, an empty wheelbarrow or a hollowed out pan.

Though portable barbecues are very handy because they require no effort and can be wheeled in and out depending on the weather, I often think the nicest barbecues are those that are built into the garden and become an integral part of the design. Building one is a relatively simple do-it-yourself job, providing you don't first have to pull down sections of terrace or wall to fit it in; the two authors lead you carefully through all the steps you need

to take. By following their instructions you can build a simple unit, just for cooking, or you can add ledges to provide a working surface, you can add a roasting spit or a complete table as well at which to eat.

From there they take you on to lighting, drinks and then the most important part of all—the cooking, whether in an open barbecue or in a closed spit-plate. If you think that this is the summer when you really might try and get it all together and you're not quite sure where to start—then I recommend Heinz and Geneste Kurth's book. It is published by Ward Lock at £1.95.

If you really get carried away with the whole idea of eating out-of-doors (and, after all, its great charm is that often it involves turning over the cooking to the man of the house, or even the children, leaving the man unexpectedly free) then Yea and Perrins commissioned Mary Berry to write a Barbecue Cookbook for them and her recipes will add further to the culinary repertoire. No matter how delicious, most of us tire of plain steaks, chops and sausages and there comes the day when we long for something a little more exotic. Mary Berry has a fund of culinary knowledge and some of her slightly Eastern marinades and other spicy recipes sound very tempting indeed. The book is published in association with Smedley-HP Foods by Martin Books of 8 Market Passage, Cambridge, at £1.25.

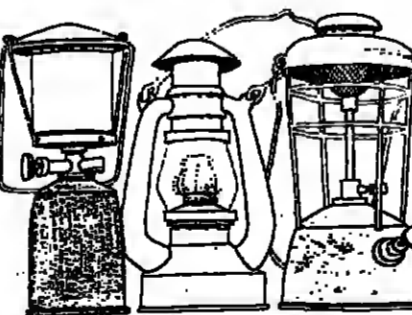
If you want to buy some of the professionally-made and designed barbecue equipment that is around you may now have some difficulty due to the propensity of British stores to think the summer ends in the middle of July. Frank Odell is one of the leading importers of barbecue equipment of all sorts and he will willingly send any reader a leaflet which illustrates everything he sells. Through him you can buy whatever you might need—whether it be the hickory chunks, charcoal, firelighters, party lanterns, skewers or complete barbecues, from the simplest Hibachi to the most elaborate spit-operated device.

He will advise you as to where the things he distributes may be bought but if you cannot find them locally he will make sure you are supplied somehow. Write to him at Odell, 43-45, Broad Street, Teddington, Middx TW11 8QZ.

Just to give you some idea of how the appeal of eating out of doors is beginning to spread—Frank Odell tells me that when he first entered the barbecue field four years ago the total barbecue sales in England were running at about 20,000 per year. Last year something like 400,000 were sold.

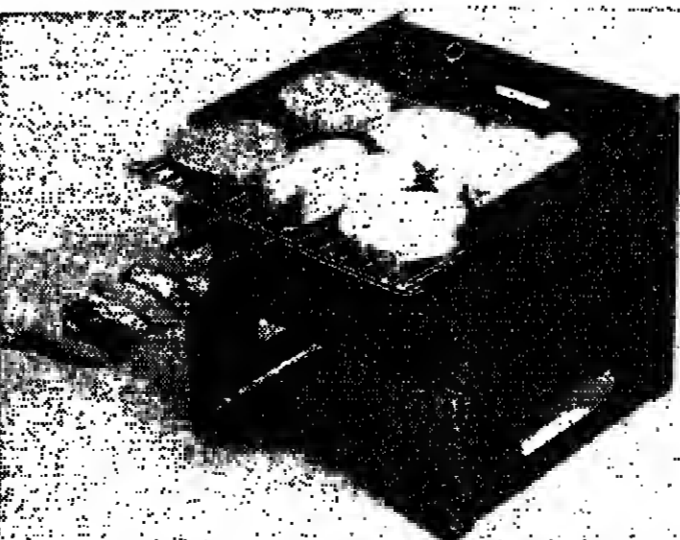


The illustrations, above and below, have been taken from "Barbecue and the joy of cooking on an open fire" by Heinz and Geneste Kurth, published by Ward Lock, at £1.95.



A section in Heinz and Geneste Kurth's book deals with lighting and they point out that even under a full moon barbecues need proper lighting. This drawing is taken from the book and illustrates some of the most useful types of lighting—left is a gas hurricane lamp, then an old paraffin lantern and,

finally, a paraffin lantern that is pressurised by pumping. All three sorts should be on sale in your local hardware shop. For parties or added glamour you can use flares—Habitat shops usually stock these. The other two lights are formed from glass containers with candles which are supported on sticks.



The simplest form of outdoor cooking of all—a Primus picnic charcoal barbecue which takes only three seconds to erect. It works on a hinge system which means it can be folded as flat as a breadboard for carrying

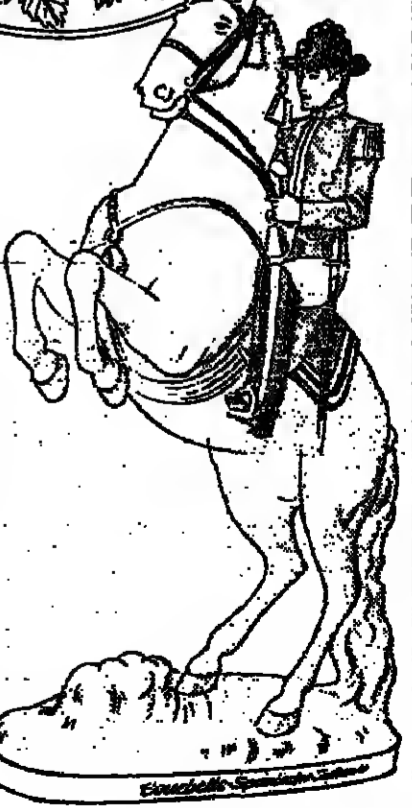
and then pulled up when you want to cook. Measuring about 10 in wide, 10 in deep and 8½ in high, it won't really deal with more than about six hamburgers at a time. It costs £5.92 and is available from most hardware shops.

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Saturday July 28 1979

Long and short term aims of denationalisation

By JOHN ELLIOTT and ANATOLE KALETSKI

First quarter report

PARLIAMENT is now in recess; but no-one can complain that it has been idle during the first three months of Mrs. Thatcher's administration. On the contrary, the promised revolution in our affairs has been tackled with remarkable energy. Already the higher rates of income tax have been cut at a stroke to normal international levels, and there has been a substantial shift from direct to indirect taxes. The partial sale—or perhaps refinancing—of the productive public sector is clearly to be sweeping, and public spending, by all reports, is to be cut back energetically. Meanwhile monetary policy is determined and sterling sensationally strong.

Disenchanted

This catalogue reads like a very positive list of achievements much, it might be thought, to the taste of the City: but it has not so far been received in this spirit either in the markets or in the country. Equities have fallen by nearly 18 per cent from their peak. Government stock, despite some sharp ups and downs, has made very little net progress. The Confederation of British Industry is increasingly worried about margins, and the TUC, despite the good manners so far preserved in its discussion, pronounces itself acutely depressed about growth and jobs. Ordinary voters, to judge by the opinion polls, are already disenchanted with the programme they voted for in May.

Mrs. Thatcher gives no sign of any dismay at this response. She would no doubt argue that she has elected to enact a sharp change of direction, and change is always disturbing. Furthermore, by tackling the most unpopular decisions at the beginning of her term of office, she hopes to have time to consolidate the change, as the hoped-for response to her policies, considerably aided by rising production and revenues from the North Sea, will produce the convincing result which will make the change permanent.

Inherited

In any case, many of the problems now besetting the country are either inherited from the last Labour Government, or imposed externally. Unrealistic wages and public spending plans coupled with an energy crisis and a threatened world recession would pose difficulties for any Government. All this may be granted, but doubts remain. Even among the Government's closest sympathisers in the City, there are worries. They are of three related kinds. First, the pace set by the Government is itself en-

Letters to the Editor

Regions From Mr. D. Sweet Sir—Sir Keith Joseph is reported (July 25) as asserting that about 20,000 new jobs have been created each year by regional aid, but that this net gain (sic) was largely offset by consequent losses in other parts of the country. At a time when employers in the south east are finding it ever harder to recruit desired labour, it is nonsense to consider jobs diverted to development areas as losses. In fact, had those jobs been created in the prosperous areas, as the companies might have preferred, those areas would have been damaged by increased congestion and labour shortages. The purpose and justification of regional policy is not only to benefit depressed areas but also to ease the strain on congested areas: in economic terms, to align internal costs (to the firm) with external costs (to the community) of the location decision. Thus, at any time that a given region, say the south east, is experiencing congestion to terms of a labour shortage, traffic or land congestion or whatever, any measures diverting new jobs elsewhere are to the benefit of those already in the south east, as much as to those in the receiving regions. D. J. Sweet, Hoden Corrier, P.O. Box 14, 7-12, Torrstock Square, WCL.

Housing

From Mr. W. Legg Sir—Samuel Brittan pointed out (July 19) that the greater the extent of regional subsidisation, the more it becomes "robbing Peter to pay Paul." How much more is this true of the subsidies given to mortgages and council house tenants. Every Government is biased towards its own sectional constituents and any rational suggestion for reform is dismissed as "politically impossible," whatever that means. We may well see the removal of the various controls in the

Sports

From the PR Officer, British Field Sports Society Sir—I was shocked to say the least, to read John Cherrington's article on the Game Fair and field sports (July 21). Hare coursing has not been made illegal. The League Against Cruel Sports has blown off a lot of hot air, but has definitely not succeeded in having any field sport banned in this country. Field sports across the board are at present enjoying a considerable upsurge in popularity and participation, and they will only be weakened by ill-informed comments by journalists, or by complacency among participants, old or new. Richard Tracey, 26, Caxton Street, SW1.

Exporting

From Mr. W. Kleinlooh Sir—In your article "Rising pound worries exporters" (July 19) several chairmen of large British companies warn that the increasing value of sterling will harm our exports. If it is true that an increase in the value of the pound does reduce export chances, then British industry must have had innumerable opportunities to increase export levels, during the period 1967-79, when the

A NEW word has been circulating in Whitehall in recent weeks. It goes to the heart of the Government's policy for reforming the ownership and bureaucracy of state-owned industries, but few Ministers will admit to using it.

The word is "privatisation" which, to those close to the centre of Tory thinking, means the Government's well known interest in selling public sector assets to private individuals, financial institutions, and anyone else (apart from foreign interests in some sensitive cases) who might want to buy them.

Already British Airways, British Aerospace, the British National Oil Corporation, and part of the National Enterprise Board have been named as candidates for change which will transform their ownership, their methods of raising capital, and their accountability, both to Ministers and to Parliament. The model on which the concept is based is the existing 51 per cent Government stake in BP (itself to be reduced soon).

Other candidates that have been considered include the National Freight Corporation (whose finances are not yet strong enough for private sector exposure) and Cable and Wireless (on which there is apparently no movement at present since Commonwealth consultations which would be necessary have not yet taken place). Ministers are also preparing possible plans for selling the Government's 24 per cent stake in the British Sugar Corporation, and other possibilities will emerge in the future.

Mr. Nigel Lawson who, as Financial Secretary to the Treasury, is the Minister at the centre of the privatisation exercise has even talked in the past of the Government selling off considerable amounts of its land. Other ministers, including Sir Keith Joseph, Industry Secretary, have also turned their minds to the question of how to deal with public utilities (like electricity and gas) and monopoly industries (like the Post Office) where the Government has a role in protecting the consumer.

Sir Keith's interest in allowing private sector competition to be a factor in the sale of Post Office telephones and, possibly, in breaking the Post Office's postal monopoly, therefore should also be seen as part of the same overall exercise. Sales of publicly owned assets do, however, have an immediate importance to the Government. They will make a major contribution to the reduction of the public sector borrowing requirement (PSBR) and to the crusade against the growth of public spending. The sales are an alternative to public borrowing which the City finds more palatable for financial as well as political reasons, since it provides investors with equities. This year the PSBR will be cut by £1bn through the sale of BP shares and NEB shareholdings. The disposal of up to half of British Airways, British Aerospace and BNOC next year would keep up the momentum, by

providing up to about £500m of equities instead of gilt-edged stock. Another financial attraction of what Mr. John Nott, Trade Secretary, calls "taking the whole operation of a nationalised industry out of the Government's balance-sheet" is that this removes these industries' future capital requirements from public spending. Nationalised industries which need external finance, borrow either from the Treasury or from foreign capital markets. In either case their borrowing increases the PSBR and the planned total of Government expenditure.

The Government is committed to reducing by around £4bn a year its predecessors' expenditure plans. Taking the borrowings of Airways, Aerospace and BNOC out of the public sector this year would have cut planned Government expenditure by £340m. Unlike the one-off effect of asset sales themselves on the PSBR, removing an industry's financing from the public sector, provides continuing benefits. In BA's case, Government spending will be reduced by at least £50m a year for at least five years.

Calling public expenditure by another name and selling assets instead of borrowing has no real direct effect on the economy. Nevertheless, the advantages are not purely cosmetic. Using equities rather than fixed-interest stock to finance government deficits can reduce the cost of servicing the national debt. Re-allocating industrial borrowing to the private sector can drive a Government that is determined to keep public borrowing below a certain level for fear of crowding out private investment, with more headroom for increasing, or at least maintaining, expenditure on genuine public services.

Ministers insist, however, that their primary interest has been to reduce State ownership for its own sake. "Money raising is a very useful by-product. But what we really want is to provide a better service to the consumer and customer, and to the taxpayer as well," says Sir Keith Joseph who was at the centre of the Tory-policy making on the issue before the election.

Mr. David Howell, Energy Secretary, also referred back to fundamentals this week when he discussed taking private capital in BNOC and said: "One should not confuse State ownership with the objectives of the national interest—this is our view and it is in contrast with those who believe state ownership is essential for the national interest." Ministers are also quite open about the way they are dramatically reducing the control and influence that they and Parliament can wield over industries once they have been sold off into the private sector. The change is so radical that it could lead to complaints from MPs on the implications become clear.

The point is that, as is expected, businesses like Aerospace and Airways are redesigned as primarily private-sector operations, the Minister responsible will represent one (albeit quite often the largest) shareholder. The Minister and his civil servants who in the past have called the shots may keep some reserve powers, but will lose their unilateral right to approve borrowings and investment and research programmes, to appoint all board members and chairmen, fix financial objectives, and appoint auditors. Parliament's ability to call the Minister and those running an industry to account in front of Select Committees will also be reduced.

The whole purpose is to move the responsibility for decision making from Ministers, who are not equipped for the role, to shareholders and their managements. Ministers are specifically eschewing responsibility," Sir Keith says. Mr. John Nott, the Secretary for Trade and another enthusiast for the notion of privatisation, has said: "At present, British Airways is in effect con-

trolled by one or two Ministers and the odd Treasury official. That is what public ownership often means. I want to give an opportunity for widespread real public ownership." The end of ministerial and Treasury surveillance over the running of state industries will have four revolutionary consequences for the financial management of these industries. Each of these factors is now regarded as an argument in its own right for "privatisation", though under past Labour Government, the same arguments have been stood on their heads and used to justify nationalisation.

First, managements will now make all investment decisions without regard to government macroeconomic and industrial policies. There will be no arm-twisting of the type that BA has suffered over its decisions to buy American rather than European aircraft. Most important, the Government will avoid investment programmes "getting muddled up with the level of the rate support grant," in the words of Mr. Norman Tebbit, a junior Trade Minister. Socialists have traditionally argued for nationalisation precisely because they wanted the Government to co-ordinate "the commanding

heights of the economy" and because they believed that the Government's farsightedness would lead to counter-cyclical investment, and to greater stability for both the nationalised industries and the whole economy. After the past few Governments' performance, such claims are understandably muted.

Second, the financial target set for each industry by the Treasury will be abolished. Instead the new companies will simply attempt to maximise profits. In practice this will make little difference to the management of Airways and Aerospace because they have already had hard targets to meet the Treasury's financial targets. In some manufacturers owed much effect the last Labour government accepted that industries operating in competitive international markets, such as aerospace, should be treated most of their activities. Whereas the present Government accepts the need to impose other objectives

may find its financing becoming significantly more expensive. Fourth, and most important, the newly private industries will have to stand on their own feet in hard times. It is easy to target—as most of the nationalised industries became—shortly prosperous, but most of them began life in the public sector as lame ducks. While Airways may rise to the challenge of private ownership over the next few years, it is hard to see how it would have made a share sale without unthinkably. Some aerospace companies like Rolls-Royce and Lockheed have already begun injections of government money in the recent past. Before nationalisation aerospace manufacturers owed much of their success to non-economic government purchases of both military and civil aircraft.

Precisely how the whole concept will work in practice has not in any case still to be decided because ministers and civil servants have yet to face up to a whole host of decisions. The

agreed at a special meeting of the Government's main economic policy committee, with Mrs. Margaret Thatcher in the chair, on Thursday last week. Legislation will be introduced to Parliament later this year to change the legal status of the state corporations into private companies and to change their funding and other arrangements so that they are exposed to the rigours of the private sector. Provisions, which have yet to be decided, will include: buy up to 10 per cent of the shares on special terms; the government stake will vary Aerospace will probably be divided roughly 50-50, while British Airways the Government will retain a lower stake, somewhere above 35 per cent. It is not yet known how many of the hills there will be. The Aero- and Airways changes might be merged into one statute if inter-departmental complications between Industry and Trade can be worked out. There will also be an industry Bill dealing with ministerial control of the NEB, whose sales are expected to involve its holdings in ICL, Ferranti, Brown-Boveri Kent, and Fairey (although some sales could go

ahead in advance of the legislation). The BNOC will also need a bill—once the Government has decided how to "privatise" it—and parliamentary orders would be needed if the Government pulls out of British Sugar. But first there will be consultations with various interests (merchant bank advice has already been sought for some of the sales) and the Government will have to face up to potentially serious trade union opposition in some areas. But Ministers hope that the union opposition will be reduced by the fact that shipbuilding is not being included at this stage and because they have decided for practical reasons not to force the industries to sell off entire sections like naval shipyards or Aerospace's Dynamics division.

It will, then, take till next spring or early summer for the bills to go through Parliament after which there will be the legal intricacies of transferring assets to the Government ready for sale. Then progress will be rapid and the sales will take place. But, conscious of some criticism that they might sell shares in too much of a hurry, Ministers are stressing that they will only sell when the time is ripe in terms of the overall share market and the state of the industry involved.

Whether the City will share the Government's view of what is the right moment is of course still very uncertain. Investment institutions' initial reaction seem to be lukewarm towards Aerospace, because of worries about its dependence on government contracts. They are decidedly unenthusiastic about Airways, especially after Thursday's disappointing profits announcement. Of course, there is a price for anything on the stock market, but an Airways disposal before the next two years before several more years of big profits would probably mean selling the shares at well below their net asset value.

The wisdom of the whole privatisation campaign depends crucially on the price which the Government's assets fetch. The profits of British Gas and the Government's capital gains on its BP shareholdings will finance a significant part of this year's tax cuts and public spending programmes. They are a reminder of the financial benefits that can flow to taxpayers from the public assets that the Government owns on their behalf.

There is a danger that because the Government regards "privatisation" as primarily a political measure, it will overlook the interests of taxpayers, who now own the assets it wants to sell. The Tories have adopted the word "privatisation" in preference to "denationalisation", partly because of its positive connotations of private ownership. The Government's measures might be only the latest stage in the political tug of war over state ownership that followed the earliest nationalisations in the 1940s. Everybody in the industries concerned must be hoping that this latest stage is also the last.

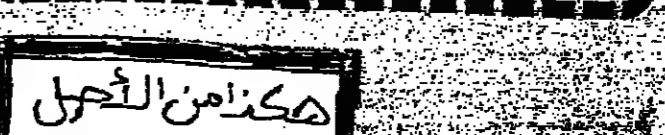
MAJOR NATIONALISED ENTERPRISES

Table with 4 columns: Enterprise, Pre-tax profits (£ million) (1978 or 1978-9), Capital requirements (£ million) (1979-80), External financing required (£ million) (1979-80). Rows include SHARE OFFERS PLANNED (British Airways, British Aerospace, BNOC), UTILITIES, NATURAL MONOPOLIES (Electricity Council, British Gas, Post Office, British Rail), and LAME DUCKS (National Coal Board, British Steel, British Shipbuilders).

* Figures from financial statement and budget report. † Estimates due in August.

THE BEST GUARANTEED INCOME BOND AVAILABLE

Advertisement for Guaranteed Income Bonds. Features 11 1/2% - 13% NET GUARANTEED interest rates. Text describes the return of high interest rates and provides contact information for John Gibbs Associates Ltd. Includes a form for Name, Address, Tel, Day, Home, Date of Birth, Tax Rate, and a checkbox for Net of basic rate tax.



UK COMPANY NEWS

Midland shows 56% first half rise to £138m

BY CHRISTINE MOIR

A STATED increase of only 56 per cent in Midland Bank's interim profit yesterday (compared with 60 per cent from Barclays and Lloyds and 102 per cent from National Westminster) left the shares unchanged at 345p.

would reduce the comparative figure last year to £74m. "In fact, the business as it now exists has improved by more than 80 per cent from this time last year," he said.

is cautious about predicting the outcome for the year Mr. Gladwell thinks that "if interest rates remain strong—and we do not think they will drop much—the second half should be similar to the first."

BTR leaps to over £27m

A 50 PER CENT jump in taxable profit is reported by BTR, general rubber manufacturer, for the first half of 1979. This is substantially in excess of the estimated 35 per cent increase for the first four months, given by the company when confirming its intention to proceed with a £24m bid for Bestobell.

Tesco turnover and profit well ahead in first half

BOTH turnover and profit of Tesco in the first half of the current year had been running satisfactorily ahead of the same period last year, Mr. Leslie Porter, the chairman, told the annual meeting.

Dividends Announced

Table with columns: Company, Current payment, Date, Corrected, Total last year. Includes AC Cars, BTR, Cardinal Inv, etc.

Mining Supplies finishes on £2.2m

A TEMPORARY fall in NCB business, more pressure on margins and disruption by the national unrest and severe winter, hit second half performance at Mining Supplies. Taxable profit for the second six months dropped £0.41m leaving full-time pre-tax profit for the year to £1.8m, 1979, at £2.27m, against £1.2m in 1978.

Mech Construction continued to expand but its profit contribution was down. Even so the prospects for future growth and profits are excellent the director state. There was no improvement at Mech Electric 24.

RFD down but payout up 69%

AS EXPECTED, profits before tax of the R. F. D. Group, at £2.32m for the year ended March 31, 1979, are lower than the previous year's £3.49m. Turnover amounted to £21.4m compared with £18.75m.

Interest charges were higher due to increases in working capital and in capital expenditure. Start-up costs in new acquisitions have been written amounting to £2.1m compared with £1.75m.

the military-industrial side, where sales rose 28 per cent but profits collapsed by two-fifths. In fact the picture is distorted by the first full year contribution from its U.S. parachute company, which chipped in £2m of sales but made a £100,000 loss—basically reflecting development expenditure. That aside RFD says that it is reluctant to go ahead with some overseas orders until financing has been tied-up, and that causes a lumpy pattern.

Airship finance scheme fails

A scheme to finance the renovation of the airship as a means of transport collapsed yesterday when stockbrokers Laing and Cruickshank announced that the required level of subscriptions to a public issue had not been reached.

The number of applications received fell far short of the target and as the issue was not underwritten, it has been abandoned. Mr. Julian Benson of Laing and Cruickshank, who were managing the issue for the Isle of Man company Thermo-skyship, said the project failed because no institutions were prepared to subscribe.

Smith and Nephew's U.S. buy

IN A deal aimed at stepping up the growth of its U.S. business, Smith and Nephew has acquired 51 per cent of Anchor Continental, a South Carolina-based maker of industrial adhesives and piastor of Paris headbands.

Anchor, purchased from its former owners, had 8 sales total of £25m (£15.2m) in the year to June 29, 1979, with net profits after tax of £1.85m (£800,000). Net assets amounted to \$8.7m.

Though outclassed in volume by such rivals as Loctite, Mannesmann and Loctite, Anchor's products are nationally distributed and will fit in well with those of Smith and Nephew, he said. The UK company is also interested in the "valuable, new technology" which it will obtain from the deal.

Berwick Timpo challenges Mr. Norman

The Board of Berwick Timpo, the toy manufacturer, has challenged Mr. Terquill Norman, the former executive chairman of the group, who resigned as a director in May of this year, to withdraw proposals which he has put to the group, they announced to shareholders for consideration.

Mr. John Oakley, Berwick's chairman, has written to shareholders and Charterhouse Japbet, Mr. Norman's advisers. Mr. Oakley explains to his letter to shareholders that proposals for changes in the composition of the Board at Berwick had been put forward by Charterhouse in their capacity as Mr. Norman's advisers. "These proposals, which are principally intended to achieve Mr. Norman's re-election, have been rejected unanimously by your Board," Mr. Oakley says.

and been mounting a campaign to re-establish himself at Berwick. It is understood that three proposals have been submitted by Mr. Norman's camp to the Berwick Board. It is proposed that Mr. J. Michael G. Andrews, a former chief executive of Williams & Morrow, should be invited to the bank, and a director of Barrow Hepburn, the leather group, is appointed to the Board.

J. & J. Dyson falls by some £1m as expected

AS FOREWARNED, pre-tax profits of J. & J. Dyson for the year to March 31, 1979 fell to around the £2m mark—the actual figure being £1.92m compared with £2.97m. The profit is after charging £243,104 on closure of the Blaenavon works.

The group's interests include refractory materials and articulated trailers. J. & J. Dyson has suffered an expected decline in its pre-tax profits. The 35 per cent fall in earnings, on a marginally increased turnover of 1.3 per cent, is directly related to the poor state of the UK steel industry.

British Land Australian disposal

British Land, the UK based property group, has disposed of its 25 per cent stake in its Australian property portfolio in a unique deal to reduce its Australian debts.

British Land's Australian properties, valued at A\$41m (£20.1m) to be placed in a property trust in which the Post Office Staff Superannuation Fund will hold a 51 per cent interest and Conzinc Riotinto Staff Provident Fund and British Land will each have 24.5 per cent stakes.

Mr. Edward Datnow, the chairman, and of £59,981 to his brother, Mr. Arthur Datnow, also at the meeting, was quietly ratified at yesterday's EGM. "But Mr. Leonard Slotover, the president of Hardy, stressed openly at the meeting that 'my family is not getting any compensation.' The Slotover family, who are on the board, accepted Hardy's initial £25m offer, while the Datnows, distantly related, held out for the improved terms.

Results due next week

In a slim week for company results, the impact of sterling's rise on corporate earnings is again likely to be under scrutiny. One group particularly sensitive to exchange movements is Grindlays Holdings.

The Grindlays share price has been falling steadily in advance of the group's interim figures due on Wednesday. Some analysts have decided not to make a forecast, partly because of the uncertainty impact of exchange movements, but those who have taken the plunge believe it will be going on to maintain last year's £19m pre-tax figure. With its heavy overseas interests Grindlays is more exposed to sterling's rise and the erosion of eurocurrency margins than the four clearers which have just announced their results. Furthermore, the decline in advance provisions which has helped earnings over the past few years is now taling off and the tax position is less favourable as carried forward losses have been largely absorbed.

appliances group, with figures due next Thursday. Analysts agree that heavy redundancy payments will cut into earnings, as will the uncertain exchange situation caused by the strength of the pound. The company suffered a pre-tax loss of £19,000 in the first three months of 1979, but should earn a profit of between £600,000 and £800,000 in the quarter to June. Sales have been very strong, stemming in part from a loss of some profits. But the real question mark continues to hang over the extent of the debt expected from foreign exchange losses.

Wm. Cook second half decline

SECOND half profits of William Cook and Sons (Sheffield), steel founders, slipped by some £90,000 to £303,150, but headway was made in the first half, resulting in the pre-tax figure for the year to March 31, 1979, improving by £75,538 to £821,280.

The directors report that the foundry industry continues to suffer from intense competition both at home and abroad, with the result that maintaining profit margins becomes increasingly difficult.

Falconbridge boosts earnings

FALCONBRIDGE NICKEL, the second largest of the major Canadian nickel producers, has reported a dramatic improvement in first-half earnings. Net profits for the six months to June were C\$56.3m (£20.6m), compared with a loss of over C\$50,000,000 in the 1978 first half.

The improvement was mainly due to an additional contribution of C\$32.1m from the integrated nickel operations and the extraordinary credit of C\$12.6m for deferred income. Mr. Marsh Cooper, the president, said. There were also increased contributions from Falconbridge Copper, United Kenil Hill Mines and Westro Mines.

Drilling at the leases in 1979 gave shareholders values ranging up to £1.5m per share, in one case where the monthly production of 100,000 tons of oil was being produced. Drilling in North Kalgurli AIMS TO REOPEN ITS GOLD MINE

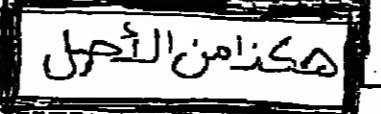
Table with columns: Company, Dividend (p), Last year, This year. Includes Amalgamated, Associated British Engineering, etc.

Table with columns: Company, Dividend (p), Last year, This year. Includes City of London Securities, Grayson Commercial Investment Co., etc.

Table with columns: Company, Dividend (p), Last year, This year. Includes Fagun Industrial Holdings, Reed International, etc.

Table with columns: Company, Dividend (p), Last year, This year. Includes Anglo-Continental, Anglo-Continental, etc.

Vertical advertisements on the right margin including 'IMM', 'BID', 'NO NO', 'INSURANCE', 'GENERAL P', 'INCREASE TO US'.



SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

Take-over bids and deals. A late burst of activity... Chairman Alan Bartlett disposed of 100,000 shares in Newman Industries...

Table with columns: Company, Value of bid per share, Price before bid, Value of bid, Final Bidder. Lists companies like Alginite Inds, Allen (Edgar) Plc, Bestobell, etc.

PRELIMINARY RESULTS

Table with columns: Company, Year to, Pre-tax profit (£000), Earnings* per share (p), Dividends* per share (p). Lists companies like AAI, Arlington Motors, Bevan (D.F.), etc.

INTERIM STATEMENTS

Table with columns: Company, Half-year to, Pre-tax profit (£000), Interim dividends* per share (p). Lists companies like Allbon, Allied Textiles, Barclays Bank, etc.

APPOINTMENTS

Two non-executive directors for Johnson Matthey. Mr. E. R. Bennett and Mr. J. H. Lutley have been appointed non-executive directors of JOHNSON MATTHEY AND CO.

Perkins group post

Perkins group post. Mr. Adrian J. Parsons, executive director of the Perkins Engines Group's UK operations, has been appointed managing director, PERKINS ENGINES LTD.

Denis Ward joins Neepsend Board

Denis Ward joins Neepsend Board. Mr. Denis R. Ward has been appointed to the Board of NEEPSEND as a non-executive director.

Contracts

Contracts. Crane Fruehauf wins £2m orders. CRANE-FRUEHAUF has received orders worth £2m from the Gulf area of the Middle East and Saudi Arabia.

Alderney electricity move rejected

Alderney electricity move rejected. Alderney Electricity Company's proposals for selling the company's assets and going into compulsory liquidation were rejected at an extraordinary general meeting.

Countryside Commission plea

Countryside Commission plea. THE COUNTRYSIDE Commission has appealed to the Government for more freedom, more staff and more money.

INSURANCE BASE RATES table. Vanbrugh Guaranteed 114%, Property Growth 114%, CORAL INDEX: Cioe 455-460

GENERAL PROPERTY TRUST table. Lend Lease Management Ltd. Total Assets \$A133,961,245, Gross Revenue \$A 9,775,231, Net Income \$A 4,898,892.

Table with columns: Year, Per Cent, Change. Shows financial performance for 1977 and 1978. Total Assets \$A133,961,245, Gross Revenue \$A 9,775,231, Net Income \$A 4,898,892.

Gartmore's new Moneybuilder

Gartmore's new Moneybuilder advertisement. Includes text about unit trust investment, interest rates (+18% over 1 year, +47% over 2 years, +82% over 3 years), and contact information for Gartmore Fund Managers Ltd.

TAX-FREE Income advertisement. LIMITED OFFER 11.60% p.a. net of basic rate tax. equivalent to 16.57% p.a. gross GUARANTEED FOR 3 YEARS.

Vertical text on the left edge: 'I profit half' and 'VOUNCED'.

Vertical text on the right edge: 'fails' and 'S. buy'.

Companies and Markets

Wall St. regains early losses

INVESTMENT DOLLAR PREMIUM

Effective 82.3145 91% (81%) EARLY DRIFTING gave way to a slight rally in late trading on Wall Street yesterday...

on lower second quarter and first half results...

After dipping 3.16 to 836.60, the Dow Jones Industrial Average recovered to close unchanged on the day at 839.76...

1,539.9 but Banks shed 0.86 to 320.98.

Consolidated Bankshares rose \$1 to 514 and Weldwood Canada \$1 to 531—each reported higher earnings and increased dividends.

SWITZERLAND—Prices rose in moderate trading...

Domestic Bonds barely steady. U.S. shares mixed. Germans rose. Dutch Interactions barely steady.

NEW YORK

Table of stock prices for various companies in New York, including Abbott Lab, AM International, and others.

STOCK

Table of stock prices for various companies, including Johnson & Johnson, Amgen, and others.

CANADA

Table of stock prices for various Canadian companies, including Alcan, Inco, and others.

Indices

NEW YORK—DOW JONES

Table showing Dow Jones index performance for New York, including 1979 and 1978 data.

INDICES

H.Y.S.E. ALL COMMON

Table showing H.Y.S.E. All Common index performance for 1979 and 1978.

STANDARD AND POORS

1979

Table showing Standard and Poors index performance for 1979 and 1978.

STOCKS

FRIDAY'S STOCKS

Table showing Friday's stock performance for various companies.

GERMANY

PRICE

Table showing German stock prices for various companies.

AUSTRALIA

PRICE

Table showing Australian stock prices for various companies.

PARIS

PRICE

Table showing Paris stock prices for various companies.

F.T. CROSSWORD PUZZLE No. 4033

A prize of £5 will be given to each of the senders of the first three correct solutions...

RACING BY DOMINIC WIGAN

SANTA CLAUS (2-13) and Petite Elite (2-5) both came unstuck in previous runnings...

ASCOT

2.00—Commander Bond 2.25—Vielie** 2.50—Arling 3.55—Arlington 4.25—Flying Waiter** 5.00—Silver Lord*

TOKYO

July 27 Prices: Asahi Glass 841, Canon 633, Casio 710, etc.

SWITZERLAND

July 27 Prices: Alumin 1,285, Borealis 1,100, etc.

MILAN

July 27 Prices: ANP 1,824, Bostalg 8,888, etc.

OSLO

July 27 Prices: Borgon Bank 102.75, Borgegaard 72.5, etc.

Table with 10 columns and 10 rows for crossword puzzle clues.

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Table with 10 columns and 10 rows for crossword puzzle clues.

SOLUTION AND WINNERS OF PUZZLE No. 4027

Following are the winners of last Saturday's puzzle: Mrs. E. Mather, 6, Chertsey Road, Bristol BS6 6NB.

SOLUTION TO PUZZLE No. 4033

1 Animal and a master managed a boat (9) 2 Lodge deliberately planned (3, 2) 3 Coloured outside right was inquisitive (5) 4 Argue to change sound of Shakespeare's shrew (9) 5 Pitch with find very close (3, 3, 4) 6 Break for card game (4) 7 Third-rate second mentioned noise (7) 8 Couldn't remember words but helped with the dishes (5, 2) 9 Attending to offer (7) 10 Person caught napping is run over by train (7) 11 Freachman without an average (4, 1) 12 Inferior digs up saps (10) 13 Shavian piece for coxswain? (5, 4) 14 Strength is returning in novel (5) 15 Splendid—you could say well also (5) 16 Stay away from guard net (4, 5) 17 Saw cake without sugar coating (7) 18 Quietly craft acquires character (4) 19 I want another two (5) 20 Coloured musician with youthful following... (4, 5) 21 whose efforts are relayed throughout the building (5, 5) 22 Humbly driving working class symbol sary (3, 2, 4) 23 Drug little Nancy to punish herself (3, 7) 24 Carpet fixer can change colour (3, 4) 25 Put in case female gets a further article (7) 26 Cathedral takes tombstone inscription further (5) 27 Broadcaster, as you and I, is right (5) 28 Refuse to study yoga for a start (4) 29 Solitaire to Puzzle No. 4033

SPAIN

Table showing Spanish stock prices for various companies.

BRAZIL

Table showing Brazilian stock prices for various companies.

VIENNA

Table showing Vienna stock prices for various companies.

STOCKHOLM

Table showing Stockholm stock prices for various companies.

COPENHAGEN

Table showing Copenhagen stock prices for various companies.

AMSTERDAM

Table showing Amsterdam stock prices for various companies.

BRUSSELS/LUXEMBOURG

Table showing Brussels/Luxembourg stock prices for various companies.

JOHANNESBURG

Table showing Johannesburg stock prices for various companies.

INDUSTRIALS

Table showing industrial stock prices for various companies.

AGRICULTURE

Table showing agriculture stock prices for various companies.

MINING

Table showing mining stock prices for various companies.

FINANCIAL

Table showing financial stock prices for various companies.

UTILITIES

Table showing utility stock prices for various companies.

COMMODITIES

Table showing commodity prices for various goods.

OFFICE

Table showing office-related stock prices for various companies.

ENERGY

Table showing energy-related stock prices for various companies.

TELECOM

Table showing telecommunications stock prices for various companies.

TRANSPORT

Table showing transportation stock prices for various companies.

RETAIL

Table showing retail stock prices for various companies.

REALESTATE

Table showing real estate stock prices for various companies.

TECHNOLOGY

Table showing technology stock prices for various companies.

HEALTHCARE

Table showing healthcare stock prices for various companies.

CONSUMER

Table showing consumer stock prices for various companies.

FINANCIAL SERVICES

Table showing financial services stock prices for various companies.

INSURANCE

Table showing insurance stock prices for various companies.

PROPERTY

Table showing property stock prices for various companies.

ENERGY SERVICES

Table showing energy services stock prices for various companies.

TELECOM SERVICES

Table showing telecommunications services stock prices for various companies.

Commission to probe Bourse charges

PARIS — The French Economy Ministry has set up a Commission to study the possibility of reducing the cost to French investors of transactions on the Paris stock exchange.

It added that in view of the progress achieved in the field of computer technology, substantial cost reductions can be envisaged. The Ministry remarked that in this respect it is essential that the techniques used on French stock markets be as advanced as those operational in other markets.

The Commission will include representatives of banks, industry, stockbrokers, insurance companies and the Paris Stock Exchange, APB.

Fingest share swap
Invest SPA, which bought a controlling interest in Fingest SPA last June, has decided to absorb the financial holding company through a merger, reports APB from Milan.

NOC purchase
Netherlands Off-Shore Company (NOC) and J. Ray McDermott Unit Oceanic Contractors have reached agreement on the NOC purchase of NOC.

The First Viking Commodity Trusts
Community OFFER 39.3 BID 37.3
Community & General Management Co Ltd
10, 12 St George's Street
Douglas Isle of Man
Tel: 0624 25015

JAPANESE MOTOR INDUSTRY Lower profits at Nissan and Honda

BY YOKO SHIBATA AND RICHARD HANSON IN TOKYO

SLUGGISH export sales and foreign currency translation losses have hit the profits of two leading Japanese car-makers, Nissan Motor and Honda Motor Co.

Nissan, the second largest manufacturer with its range of Datsun cars, reported a 30 per cent drop in consolidated net profit to ¥86,940m (\$31m) for the year ended March, 1979. However, the company sees sweeping improvement both in sales and earnings for the current 12 months as a result of a firm domestic market and a recovery of its export profitability.

Paribas unit in Japanese consumer finance venture

BY RICHARD HANSON IN TOKYO

ORIENT LEASING, Japan's largest leasing company, is to establish a consumer financing company with Cetelem, the Paris-based unit of Paribas-Comptance Bancaire. The new venture will concentrate mainly on instalment credit sales in Japan.

Orient Leasing will hold 80 per cent of the new company, Family Consumer Credit, with Cetelem taking the balance of the initial capital which will be ¥100m. Operations begin next month. The new venture will be the first time that a Japanese leasing company has entered the consumer financing field. The Paribas group has for some time been looking for a means of entering the Japanese market. Orient officials said that consumer finance area could eventually become more important than leasing.

Per share earnings on a consolidated basis went down to ¥43.93 from ¥71.89 a year earlier.

For the current year, the company expects sales of ¥3,000bn (up 13 per cent), operating profits of ¥160bn (up 60 per cent) and net profits of ¥85bn (up 27 per cent).

Forty-four subsidiaries were consolidated, and earnings of 23 non-consolidated subsidiaries and affiliates were reflected under equity method.

Sharp reduction in loss by German steelmaker

BY ROGER BOYES IN BONN

WEST GERMAN steel concern Stahlwerke Roehling-Burbach, has managed to reduce its record loss by almost two-thirds for last year, but the outlook for 1979 is still dogged by the high cost of scrap metal and keen overseas competition.

Roehling Burbach, the leading producer in the Saar, was one of the companies worst hit by the recession in the steel industry. At the same time, it has found it difficult to adapt rapidly to the slight upturn in demand for mass and special steels this year.

Big Waltons stake sold

BY JOHN ROGERS IN SYDNEY

THE FUTURE of the troubled Australian retailer Walton is in the balance after yesterday's special sale of 2.5m shares. The parcel, which represents 5.3 per cent of the capital, is understood to have been bought by the Melbourne businessman Mr. Morris Joss. If market suggestions are correct, he and three other businessmen are also bidding for the AMP Society's 9.7 per cent. If this succeeds, they will have 23.7 per cent of the asset-rich, earnings-poor retailer.

Strike hits earnings at MacMillan Bloedel

VANCOUVER — MacMillan Bloedel, Canada's largest forest products company, estimated in an interim report that losses from strikes this year at its facilities in British Columbia total about C\$22m before income taxes.

The company said that because of the striking, lost production to date includes 25,500 tonnes of newsprint, 26,000 tonnes of market pulp and 61m board feet of lumber, plus significant amounts of other building and packaging materials.

For the second quarter, MacMillan announced net earnings of C\$2.23 a share compared with a restated C\$1.15 last time. Total net was C\$49.8m this year. The company did not provide a restated net income for the comparable period, but said that earnings were 94 per cent up. For the first half, total net of C\$90.5m or C\$4.13 a share compared with a restated C\$44.1m or C\$1.95. Sales and other income totalled C\$131.3bn against C\$95.9m previously.

Setback for Pittston second quarter

By Our Financial Staff

SECOND QUARTER earnings of the Connecticut-based petro, coal and transport concern Pittston declined due to continued weakness in the metallurgical and steam coal markets and higher costs. The company yesterday reported second quarter earnings of 25 cents a share, down from the 53 cents earned in the corresponding period of last year.

Net income for the period declined from \$20.6m to \$12.1m, on sales of \$336.2m against \$349.2m.

The picture for the first half, however, looks considerably brighter, principally because earnings for the comparable period were badly hit by the strike of the United Mine Workers, which halted coal production for virtually the whole of the first quarter.

Pan Am acquisition of National shares likely to be decisive

BY JOHN WYLES IN NEW YORK

PAN AMERICAN World Airways said yesterday that as far as it knew, none of the approximately 2.2m shares of National Airlines it has bought in the past part of the block owned by Texas International Airlines (TXIA).

Pan Am's purchases, worth slightly more than \$100m, bring its total holding in National to 51 per cent and makes it virtually certain to acquire the domestic airline routes it has long sought. For the moment, though, its holdings must be kept in non-voting trust until the Civil Aeronautics Board issues the formal approval it has already indicated for the takeover.

Aetna Life results show declining rate of growth

BY OUR FINANCIAL STAFF

PREDICTIONS of a slower growth rate at Aetna Life and Casualty, the largest publicly-owned insurance group in the U.S., have been borne out by the second quarter results. Operating earnings are up by 8.2 per cent to \$151.9m, or \$1.73 to \$1.88 a share. This compares with an 18 per cent rise in the first quarter.

Little change at Chubb

BY OUR FINANCIAL STAFF

OPERATING INCOME at Chubb Corporation, the major insurance group, slowed down during the second quarter, and there were also losses from investments which are excluded from the operating figures.

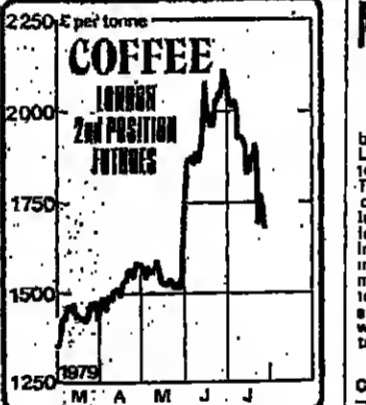
Second quarter net operating income came out 0.8 per cent higher at \$23.7m, with per share earnings at \$1.91 against \$1.89. The first half figure shows a gain of 8.9 per cent at \$43.2m, with per share earnings of \$3.64 against \$3.34.

COMMODITIES REVIEW OF THE WEEK

Coffee down as frost danger recedes

COFFEE led a general fall in prices on London's leading soft commodities market this week.

Last weekend was taken by heavy frosts in the coffee growing areas, especially in Brazil, where temperatures had fallen to alarmingly low levels over the previous few days. In the event, however, although isolated light frosts were recorded on Saturday, no significant damage was done to the coffee crop.



Plessey, the UK-based international electronics group, will not be making a takeover bid for Australian electronics group ATL Ltd. The move, announced by the parent group and not the Australian subsidiary, seems to leave the way open for Smorgoran, ATL's Melbourne-based former takeover suitor, to add to its 23 per cent equity stake.

MARKET REPORTS

BASE METALS

COPPER — Firms on balance but will below the day's highest levels on the London market. Copper futures fell to \$230 in late inter-continental trading on Thursday, following a recovery in metal prices in the morning.

SILVER

Silver was fixed 1.8p on ounces higher for spot delivery in the London bullion market yesterday, as the price of silver fell to \$42.10.

GRAINS

WHEAT — Yesterday's + or - Yesterday's or Month close = or close =

Sept. 98.40 +0.10 97.90 -0.10
Oct. 98.50 -0.15 97.95 -0.05
Nov. 100.70 -0.15 99.15 -0.15
Dec. 102.20 -0.15 100.75 -0.15
Jan. 107.20 -0.15 105.75 -0.15

AMERICAN MARKETS

CONTINUED GOOD recovery in the Midwest has depressed maize down the limit or close to it. Wheat and corn prices were also under pressure in sympathy with maize.

INDICES

Table with columns for Dow Jones, Financial Times, and other indices. Includes historical data and current values.

WEEKLY PRICE CHANGES

Table showing weekly price changes for various commodities like Metals, Grains, Oils, etc. Columns include commodity name, change on week, year-to-date, and high/low prices.

COFFEE

Table showing coffee prices for various grades and origins like Arabica, Robusta, etc. Columns include price, change, and other details.

SUGAR

Table showing sugar prices for various types like White Sugar, Cane Sugar, etc. Columns include price, change, and other details.

COCOA

Table showing cocoa prices for various grades and origins. Columns include price, change, and other details.

RUBBER

Table showing rubber prices for various grades and origins. Columns include price, change, and other details.

SOYABEAN MEAL

Table showing soyabean meal prices for various grades and origins. Columns include price, change, and other details.

Trading account ends on drab note with gilt-edged down 1/2 further and 30-share index at 5-month low

Account Dealing Dates
First Declara. Last Account Dealings...
The shorts, which have recently been guided by the longer maturities, proved to be more resilient on this occasion...

of nearly a point on the £15 payable on application. Little change occurred in the general price level until after the official close when quotations began to edge away from the day's lowest...
Keyser Ullmann good
Midland concluded what has proved to be a disappointing interim dividend season...

ing eased 2 to 3p on the preliminary figures.
Following news of the offer worth 415p per share, dealings resumed in Algate at 385p. Adverse comment left ICI 2 easier at 318p, while other Chemical issues to react a few pence included Laporte, 118p, and Yorkshire, 62p...
Raybeck easier
Raybeck featured the Stores with a reaction of 3 to 106p following the announcement that its wholly owned subsidiary Bourne and Hollingsworth...

FINANCIAL TIMES STOCK INDICES

Table with columns for Stock Index, July 27, 26, 25, 24, 23, 22, 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, 0, and Year Ago. Rows include Government Secs, Ekd Interest, Industrial, Gold Mines, etc.

HIGHS AND LOWS

Table with columns for High, Low, and S.E. Activity. Rows include Govt. Secs, Fixed Int., Ind. Ord., Gold Mines, etc.

LONDON TRADED OPTIONS

Table with columns for Option, Expiry, Closing price, Vol., and Equity class. Rows include BP, Shell, ICI, etc.

Smell end-account selling left the Brewery leaders narrowly easier, Scottish and Newcastle gave up 11 at 63 1/2p, while Allied shed a similar amount at 89p. Among regional issues, Vaux remained a dull market, reacting to a 14 1/2p increase of rediff...

Once again, secondary issues provided the main points of interest in the miscellaneous industrial sector. BTR, currently bidding for Bestobell, stood out with a jump of 17 to 314p, after 316p, following the sharply increased interim dividend and profits...

NEW HIGHS AND LOWS FOR 1979

Table with columns for New High, New Low, and Completion. Rows include various stock indices and sectors.

ACTIVE STOCKS

Table with columns for Stock, Denomina-tion, Closing price, Change, and 1979 high/low. Rows include BP, NetWest Bank, Barclays Bank, etc.

OPTIONS

Table with columns for DEALING DATES, First Last Last For, Deal-Deal-Declar-lar-Settle-ments, and Share Information Service.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Large table with columns for EQUITY GROUPS & SUB-SECTIONS, Index No., Day's Change, and various indices. Rows include CAPITAL GOODS, BUILDING MATERIALS, CONTRACTING, etc.

ON THE WEEK

Table with columns for Stock, Denomina-tion, Closing price, Change, and 1979 high/low. Rows include ICI, BP, Shell Transport, etc.

RISES AND FALLS

Table with columns for Yesterday, On the week, and various stock indices. Rows include British Funds, Con. Dom. and Foreign Bonds, etc.

BASE LENDING RATES

Table with columns for Bank Name and Lending Rate. Rows include A.B.N. Bank, Allied Irish Banks, Amro Bank, etc.

RECENT ISSUES

Table with columns for Issue Price, Amount, and Stock. Rows include Arrow Chemicals, English & Overseas Inv. Conv., etc.

FIXED INTEREST STOCKS

Table with columns for Issue Price, Amount, and Stock. Rows include Aurora 8 1/2 Conv. Cum. Pref., English & Overseas Inv. Conv., etc.

"RIGHTS" OFFERS

Table with columns for Issue Price, Amount, and Stock. Rows include Bank of New South Wales, Century Oil, etc.

FIXED INTEREST PRICE INDICES

Table with columns for Index No., Day's Change, and various interest indices. Rows include British Government, 5-15 year, etc.

Vertical text on the far right edge of the page, including 'AL UN' and other fragmented characters.

AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as 'Minster Fund Managers Ltd.', 'BIA Unit Trust Managers Ltd.', and 'Mutual Unit Trust Managers (a)(b)'. Each entry includes the company name, address, and a list of fund names with their respective values and performance metrics.

Table listing insurance and property bonds companies and their products. Includes 'Aberly Life Assurance Co. Ltd.', 'Crown Life Assurance Co. Ltd.', and 'Lloyds Life Assurance Co. Ltd.'. Lists various policy types like 'Whole Life', 'Term Life', and 'Savings Bonds'.

Table listing international and offshore funds. Includes 'Schlesinger Trust Mgmt. Ltd.', 'Tower Unit Trust Mgmt. Ltd.', and 'Transatlantic and Gen. Sec. (a)(b)'. Lists various international equity and bond funds.

Table listing offshore and overseas funds. Includes 'Alexander Fund', 'Keyser Utman Ltd.', and 'King & Saxton Mgmt.'. Lists various offshore equity and bond funds.

Handwritten note: 'Applied to'

Vertical text on the left edge of the page, partially cut off, containing additional financial information and advertisements.

Vertical text on the right edge of the page, partially cut off, containing additional financial information and advertisements.

NOTES: A section at the bottom of the page providing general information, disclaimers, and instructions regarding the data presented in the tables.

FT SHARE INFORMATION SERVICE

2 American Smaller Companies
Top performing American Trust in 1979
Up 25% since launch (Dow Jones 4%)

BRITISH FUNDS

Table of British Funds with columns for Name, Price, Dividend, and Yield.

Over Fifteen Years

Table of funds with performance over 15 years.

Over Ten Years

Table of funds with performance over 10 years.

Undated

Table of undated funds.

INTERNATIONAL BANK CORPORATION LOANS

Table of international bank loans.

COMMONWEALTH & AFRICAN LOANS

Table of commonwealth and African loans.

LOANS

Table of various loans.

Public Bond and Ind.

Table of public bond and industrial loans.

Financial

Table of financial data.

FOREIGN BONDS & RAILS

Table of foreign bonds and rails.

AMERICANS

Table of American stocks.

UNDATED

Table of undated American stocks.

CANADIANS

Table of Canadian stocks.

BANKS AND HIRE PURCHASE

Table of banks and hire purchase.

BANKS & HP—Continued

Continued table of banks and hire purchase.

BEERS, WINES AND SPIRITS

Table of beers, wines and spirits.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of building industry, timber and roads.

CHEMICALS, PLASTICS

Table of chemicals and plastics.

ELECTRICALS

Table of electricals.

FOOD, GROCERIES, ETC.

Table of food, groceries, etc.

CHEMICALS, PLASTICS—Cont.

Continued table of chemicals and plastics.

ENGINEERING—Continued

Continued table of engineering.

DRAPERY AND STORES

Table of drapery and stores.

HOTELS AND CATERERS

Table of hotels and caterers.

INDUSTRIALS (Miscel.)

Table of miscellaneous industrials.

INDUSTRIALS (Cont.)

Continued table of miscellaneous industrials.

ENGINEERING—Continued

Continued table of engineering.

INDUSTRIALS (Cont.)

Continued table of miscellaneous industrials.

INDUSTRIALS (Cont.)

Continued table of miscellaneous industrials.

INDUSTRIALS (Cont.)

Continued table of miscellaneous industrials.

INDUSTRIALS (Cont.)

Continued table of miscellaneous industrials.

INDUSTRIALS (Cont.)

Continued table of miscellaneous industrials.

FOOD, GROCERIES—Cont.

Table of food and groceries.

INDUSTRIALS (Cont.)

Continued table of miscellaneous industrials.

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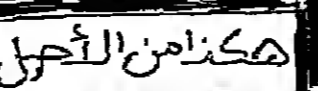
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INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, Shell, and various manufacturing firms with their respective prices and market data.

INSURANCE—Continued

Table of insurance companies such as Lloyds, Norwich Union, and others, listing their stock prices and financial metrics.

PROPERTY—Continued

Table of property-related stocks and investment trusts, including various real estate and land management companies.

INVESTMENT TRUSTS—Cont.

Table of investment trusts offering diversified portfolios of assets, with details on their share prices and performance.

FINANCE, LAND—Continued

Table of financial and land-related stocks, including banks, insurance companies, and land management firms.

BRITANNIA INVESTMENT MANAGEMENT advertisement featuring a logo and text describing their services in portfolio management.

MINES—Continued AUSTRALIAN

Table of Australian mining stocks, listing companies like Anglo American, BHP, and others with their share prices.

TINS

Table of tin-related stocks and commodities, including various tin mining and processing companies.

COPPER

Table of copper-related stocks and commodities, listing major copper producers and their market data.

MISCELLANEOUS

Table of miscellaneous stocks and commodities, including various small-cap companies and goods.

NOTES

Notes section providing detailed information about various financial instruments, including interest rates and market conditions.

REGIONAL MARKETS

Table of regional market data, showing stock prices and performance for different geographical areas.

OPTIONS 3-month Call Rates

Table of 3-month call option rates for various stocks, including the underlying stock price and option premium.

LEISURE

Table of leisure-related stocks, including companies in the entertainment, travel, and recreation sectors.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stocks, listing companies like Rolls-Royce and various automotive parts suppliers.

Garages and Distributors

Table of garage and distributor stocks, including companies involved in vehicle sales and maintenance.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing stocks, listing major media companies and their market values.

PAPER, PRINTING ADVERTISING

Table of paper, printing, and advertising stocks, including companies in the media and communications sectors.

PROPERTY

Table of property-related stocks, including real estate and land management companies.

SHIPPING

Table of shipping stocks, listing companies in the maritime industry and their share prices.

SHOES AND LEATHER

Table of shoes and leather goods stocks, including manufacturers and retailers in the footwear industry.

SOUTH AFRICANS

Table of South African stocks, listing companies from the African continent and their market data.

TEXTILES

Table of textile stocks, including companies in the clothing and fabric manufacturing sectors.

TOBACCOS

Table of tobacco stocks, listing major tobacco companies and their share prices.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land-related stocks, including various investment and real estate entities.

FINANCE, LAND, etc.

Table of finance, land, and other miscellaneous stocks, including various financial and real estate companies.

OILS

Table of oil stocks, including major oil companies and their market performance.

OVERSEAS TRADERS

Table of overseas trader stocks, listing companies that trade internationally and their share prices.

RUBBERS AND SISALS

Table of rubber and sisal stocks, including companies in the natural rubber and fiber industries.

TEAS

Table of tea stocks, listing companies in the tea production and export sectors.

Sri Lanka

Table of Sri Lankan stocks, listing companies from Sri Lanka and their market data.

MINES CENTRAL RAND

Table of Central Rand mining stocks, including various gold and mineral producers.

EASTERN RAND

Table of Eastern Rand mining stocks, listing companies in the Eastern Rand mining region.

FAR WEST RAND

Table of Far West Rand mining stocks, including companies in the Far West Rand mining area.

FINANCE

Table of finance stocks, listing various financial institutions and their market values.

DIAMOND AND PLATINUM

Table of diamond and platinum stocks, including companies in the precious metal and gemstone industries.

CENTRAL AFRICAN

Table of Central African stocks, listing companies from the Central African region and their market data.

